

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. 6823

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT WITH THE REVERE GROUP, LIMITED FOR PROFESSIONAL AND TECHNICAL SERVICES FOR THE ENTERPRISE RESOURCE PLANNING IMPLEMENTATION PHASE II PROJECT; IN AN AMOUNT NOT TO EXCEED \$1,595,000

WHEREAS, as a local government agency complying with Oregon Revised Statute Budget Law and conforming to the Generally Accepted Accounting Principles, the Portland Development Commission ("PDC") has a responsibility to ensure its financial information is accurate and reliable;

WHEREAS, the Enterprise Resource Planning ("ERP") system, Lawson, represents a valuable organizational asset that currently supports PDC's financial, procurement, payroll, and human resources operations;

WHEREAS, PDC has previously engaged the services of outside consulting firms with extensive Lawson expertise to work with PDC to formulate an assessment for consolidating financial systems with the Lawson ERP application and re-implementing the Lawson Activities and Projects module, as well as a separate strategy to implement a Business Intelligence solution;

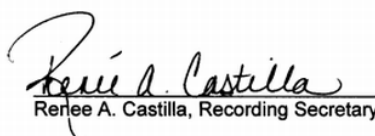
WHEREAS, the PDC Executive Leadership Team has authorized moving forward with the implementation of the Financial Systems Consolidation Assessment and Lawson Projects and Activities Strategy report recommendations; and

WHEREAS, through a competitive public solicitation process, PDC has identified The Revere Group, Limited as the vendor with needed skills, knowledge and expertise that provides the best overall value, benefit, convenience and service in regards to implementing the recommendations of the Financial Systems Consolidation Assessment and Lawson Projects and Activities Strategy reports, which is expected to be completed on August 31, 2011.

NOW, THEREFORE, BE IT RESOLVED that the Executive Director is hereby authorized to execute a contract with The Revere Group, Limited, an Illinois corporation, substantially in the form attached hereto as Exhibit A, for professional consulting and technical services, including, among other things, streamlining and consolidating financial data and information into a single source system, re-implementation of the Lawson Projects and Activities module, developing needed interfaces, implementing a portion of the Business Intelligence strategy in support of the Lawson Projects and Activities module, and providing needed training to PDC staff for a total amount not to exceed \$1,595,000; and

BE IT FURTHER RESOLVED that this resolution shall become effective immediately upon its adoption.

Adopted by the Portland Development Commission on September 24, 2010.


Rerlee A. Castilla, Recording Secretary

**PERSONAL SERVICES CONTRACT
Financial Systems Consolidation and
Lawson Projects and Activities Module Implementation**

This Personal Services Contract (this "contract") is between the **PORTLAND DEVELOPMENT COMMISSION**, hereafter called "Commission" or "PDC," and **THE REVERE GROUP, LIMITED**, hereafter called "Contractor" or "Revere." The Commission's Contract Manager for this contract is **Mary Hubbard**. This contract is awarded following the Commission's evaluation of Contractor's competitive proposal submitted in response to Request for Proposals #10-04.

Effective Date and Duration

This contract will become effective on the date at which every party has signed this contract below. This contract shall expire, unless otherwise terminated or extended, on **September 15, 2011**.

Statement of Work

- (a) The Statement of Work is contained in EXHIBIT A attached hereto and by this reference made a part hereof.
- (b) The delivery schedule for the work is identified in EXHIBIT A.

Consideration

- (a) Commission agrees to pay Contractor a sum not to exceed **ONE MILLION FIVE HUNDRED NINETY-FIVE THOUSAND and 00/100 DOLLARS (\$1,595,000.00)** for accomplishment of the work, payable in accordance with the payment terms listed in EXHIBIT A. The Commission shall not be liable for any costs in excess of this amount incurred by the Contractor, except as specifically noted herein. However, payment of the full compensation to the Contractor shall not excuse the Contractor from completing the statement of work identified in EXHIBIT A.
- (b) Interim payments shall be made to Contractor according to the schedule identified in EXHIBIT A.

The terms and conditions listed on pages 2 - 5 are incorporated herein and are made a part of this contract.

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CONTRACTOR DATA, CERTIFICATION, AND SIGNATURE

Contractor's Legal Name: **The Revere Group, Limited**

Address (including City, State, Zip Code): **325 N. LaSalle Street, Suite 325, Chicago, IL 60654**

Phone Number: **(888) 473-8373** Fax Number: **(310) 356-4912** Email Address: **mhorne@reveregroup.com**

Citizenship, Nonresident Alien: Yes No Business License Number: **718119**

Business Type: Individual Sole Proprietorship Corporation Partnership Non-profit
 Limited Liability Co. Limited Liability Partnership Public / Government Agency

Payment information will be reported to the IRS under the name and taxpayer I.D. number provided above. Information must be provided prior to contract approval. Information not matching IRS records could subject you to 20 percent backup withholding.

I, the undersigned, agree to perform work outlined in this contract in accordance to the terms and conditions (listed on pages 2-5 and made part of this contract by reference) and the statement of work made part of this contract by reference; hereby certify under penalty of perjury that I/my business am not/is not in violation of any Oregon tax laws; hereby certify that my business is certified as an Equal Employment Opportunity Employer as prescribed by Chapter 3.100 of Code of the City of Portland; and hereby certify I am an independent contractor as defined in ORS 670.600.

Approved by the Contractor: _____

Authorized Signature Date

Print Name & Title _____

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PORTLAND DEVELOPMENT COMMISSION SIGNATURES

Approved as to form
by Legal Counsel: _____
Date

Approved by: _____
Bruce A. Warner, Executive Director Date

**PORTLAND DEVELOPMENT COMMISSION
CONTRACT TERMS AND CONDITIONS FOR
PERSONAL SERVICES CONTRACTS**

1. Access to Records

The Contractor shall maintain, and the Portland Development Commission ("Commission" or "PDC") and its duly authorized representatives shall have access to the books, documents, papers, and records of the Contractor which are directly pertinent to this specific contract for the purpose of making audit, examination, excerpts, and transcripts for a period of three (3) years after final payment. Copies of applicable records shall be made available upon request. Payment for cost of copies is reimbursable by the Commission.

2. Audits

(a) The Commission, either directly or through a designated representative, may conduct financial and performance audits of the billings and services specified in this contract at any time in the course of the contract and during the three (3) year period established by section 1, **Access to Records**. Audits will be conducted in accordance with generally accepted auditing standards as promulgated in Government Auditing Standards by the Comptroller General of the United States General Accounting Office.

(b) If an audit discloses that payments to the Contractor were in excess of the amount to which the Contractor was entitled, then the Contractor shall repay the amount of the excess to the Commission.

(c) If an audit shows performance of services is not efficient in accordance with Government Auditing Standards, or that the program is not effective in accordance with Government Auditing Standards, the Commission may pursue remedies provided under section 5, **Early Termination of Contract** and section 7, **Remedies**.

3. Effective Date and Duration

The passage of the contract expiration date (as recorded on page 1) shall not extinguish, prejudice, or limit either party's right to enforce this contract with respect to any default or defect in performance that has not been cured.

4. Funds

The Commission certifies that sufficient funds are available and authorized for expenditure to finance the cost of this contract.

5. Early Termination of Contract

(a) The Commission and the Contractor, by mutual written agreement, may terminate this Contract at any time.

(b) The Commission, on thirty (30) days written notice to the Contractor, may terminate this contract for any reason deemed appropriate in its sole discretion.

(c) Either the Commission or the Contractor may terminate this contract in the event of a breach of this contract by the other. Prior to such termination, however, the party seeking the termination shall give to the other party written notice of the breach and of the party's intent to terminate. If the party has not entirely cured the breach within fifteen (15) days of the notice, then the party giving the notice may terminate this contract at any time thereafter by giving a written notice of termination.

6. Payment on Early Termination

(a) In the event of termination under subsection 5(a) or 5(b), **Early Termination of Contract** hereof, the Commission shall pay the Contractor for work performed in accordance with this contract prior to the termination date.

(b) In the event of termination under subsection 5(c), **Early Termination of Contract** hereof, by the Contractor due to a breach by the Commission, then the Commission shall pay the Contractor as provided in subsection (a) of this section.

(c) In the event of termination under subsection 5(c), **Early Termination of Contract** hereof, by the Commission due to a breach by the Contractor, then the Commission shall pay the Contractor as provided in subsection (a) of this section, subject to set off of excess costs, as provided for in subsection 7(a), **Remedies**.

(d) In the event of early termination, all of the Contractor's work product will become and remain property of the Commission.

7. Remedies

(a) In the event of termination under subsection 5(c), **Early Termination of Contract**, hereof, by the Commission due to a breach by the Contractor, then the Commission may complete the work either itself, by agreement with another contractor or by a combination thereof. In the event the cost of completing the work exceeds the remaining unpaid balance of the total compensation provided under this contract, then the Contractor shall pay to the Commission the amount of the reasonable excess.

(b) The remedies provided to the Commission under section 5, **Early Termination of Contract** and section 7, **Remedies** for a breach by the Contractor shall not be exclusive. The Commission also shall be entitled to any other equitable and legal remedies that are available.

(c) In the event of breach of this contract by the Commission, then the Contractor's remedy shall be limited to termination of the contract and receipt of payment as provided in subsection 5(c), **Early Termination of Contract** and subsection 6(b), **Payment on Early Termination** hereof.

8. Subcontracts and Assignment

(a) Contractor shall not subcontract, assign or transfer any of the work scheduled under this contract, without the prior written consent of the Commission. Notwithstanding Commission approval of a subcontractor, the Contractor shall remain obligated for full performance hereunder, and the Commission shall incur no obligation other than its obligations to the Contractor hereunder.

The Contractor agrees that if subcontractors are employed in the performance of this contract, the Contractor and its subcontractors are subject to the requirements and sanctions of ORS Chapter 656, Workers' Compensation.

9. Indemnity - Claims for Other than Professional Liability

Contractor shall defend, save, and hold harmless the Commission, the City of Portland, and each of their respective officers, agents, and employees, from all claims, suits, or actions of whatsoever nature, including intentional acts, resulting from or arising out of the activities of Contractor or its subcontractors, agents or employees under this contract; provided however, that nothing herein shall be construed to require indemnification of the Commission for liability attributable to the Commission's sole negligence.

10. Indemnity - Claims for Professional Liability

Contractor shall defend, save, and hold harmless the Commission, the City of Portland, and each of their respective officers, agents, and employees, from all claims, suits, or actions arising out of the professional negligent acts, errors or omissions of Contractor or its subcontractors and sub-consultants, agents or employees in performance of professional services under this contract.

11. Indemnity - Standard of Care

If Contractor's services involve engineering or consulting, the standard of care applicable to Contractor's service will be the degree of skill and diligence normally employed by professional engineers or information technology consultants performing the same or similar services at the time such services are performed. Contractor will re-perform any services not meeting this standard without additional compensation, or the Commission, in its sole discretion, may terminate this contract pursuant to subsection 5(c), **Early Termination of Contract** and pursue any and all remedies available.

12. Insurance

EXHIBIT B is hereby referenced and made a part of this contract.

13. Limitation of Liability.

NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR ANY LOST DATA, LOST PROFITS OR INCIDENTAL, CONSEQUENTIAL, PUNITIVE, SPECIAL OR OTHER INDIRECT DAMAGES OF ANY KIND FOR ANY REASON WHATSOEVER INCLUDING, BUT NOT LIMITED TO, DAMAGES BASED UPON NEGLIGENCE, BREACH OF WARRANTY, STRICT LIABILITY, OR ANY OTHER THEORY EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Commission agrees that Contractor's liability hereunder for damages, regardless of the form of action, will not exceed TWO MILLION AND 00/100 DOLLARS (\$2,000,000).

14. Ownership of Work Product

All work products of the Contractor which result from this contract are the exclusive property of the Commission.

15. Warranty of Work Products

For a period of one hundred eighty (180) calendar days from the date of Commission's written acceptance (the "Warranty Period"), Contractor warrants that it will provide deliverables ("Work Products") that conform in all material respects to the specifications set forth in EXHIBIT A of this contract. Commission must report any deficiencies to Contractor in writing within the Warranty Period to receive warranty remedies. Commission's remedy and Contractor's liability is to provide services to correct the deficiencies. If Contractor is unable to correct the deficiencies, Commission is entitled to recover the fees paid to Contractor for the deficient portion of the services or Work Products. Contractor makes no warranties regarding any portion of any deliverable developed by Commission or by any third party, including any third-party software, hardware, or other third-party products provided by Contractor. CONTRACTOR DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE.

16. Nondiscrimination

Contractor agrees to comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules, and regulations. Contractor also shall comply with the Americans With Disabilities Act of 1990 (Pub I. No. 101-336) including Title II of that Act, ORS 659.425, and all regulations and administrative rules established pursuant to those laws.

17. Counterparts

This contract may be executed in any number of counterparts, and any single counterpart or set of counterparts signed, in either case, by all the parties hereto shall constitute a full and original instrument, but all of which shall together constitute one and the same instrument.

18. Successors in Interest

The provisions of this contract shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and approved assigns.

19. Severability

The parties agree that if any term or provision of this contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular term or provision held to be invalid.

20. Waiver

The failure of the Commission to enforce any provision of this contract shall not constitute a waiver by the Commission of that or any other provision.

21. Errors

The Contractor shall perform such additional work as may be necessary to correct errors in the work required under this contract without undue delays and without additional cost.

22. Recycled Products

To the maximum extent economically feasible, Contractor shall make good faith efforts to use recycled products in connection with its performance of work under this contract.

23. Governing Law, Venue and Consent to Jurisdiction

The provisions of this contract shall be construed in accordance with the provisions of the laws of the State of Oregon, without regard to principles of conflicts of law. Any action or suits involving any question arising under this contract must be brought in the Circuit Court of Multnomah County for the State of Oregon; however, if an action or suit must be brought in a federal forum, then unless otherwise prohibited by law it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. CONTRACTOR, BY EXECUTION OF THIS CONTRACT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.

24. Amendments

The Commission and the Contractor may amend this contract at any time only by written amendment executed by the Commission and the Contractor.

25. Business License

The Contractor shall obtain a City of Portland business license as required by PCC 7.02.300 prior to beginning work under this Contract. The Contractor shall provide a business license number in the space provided on page one of this contract.

26. Prohibited Interest

- (a) No Commission officer or employee during his or her tenure or for one year thereafter shall have any interest, direct or indirect, in this contract or the proceeds thereof.
- (b) No Commission officer or employee who participated in the award of this contract shall be employed by the Contractor during the period of the contract.
- (c) No person not a party to this contract is an intended beneficiary of this contract, and no person not a party to this contract shall have any right to enforce any term of this contract.

27. Payment to Vendors and Subcontractors

- (a) The Contractor shall timely pay all suppliers, lessors and contractors providing it services, materials or equipment for carrying out its obligations under this contract.
- (b) The Contractor shall not take or fail to take any action in a manner that causes the Commission or any materials that the Contractor provides hereunder to be subject to any claim or lien of any person without the Commission's prior written consent.
- (c) If the Contractor fails, neglects or refuses to make prompt payment of any claim for satisfactory labor or services furnished to the Contractor or a subcontractor by any person in connection with this contract as such claim becomes due, the Commission may pay such claim to the person and charge the amount of the payment against funds due or to become due the Contractor by reason of this contract. However, the payment of such a claim by Commission shall not relieve the Contractor or the Contractor's surety from obligation with respect to any unpaid claims.

28. Contribution to Industrial Accident Fund; Withholding Taxes; Payment of Medical Care to Employees

- (a) The Contractor shall pay all contributions or amounts due the Industrial Accident Fund from Contractor or subcontractor incurred in the performance of this contract.
- (b) the Contractor shall pay to the Oregon Department of Revenue all sums withheld from employees pursuant to state law.
- (c) As required by ORS 279.320, the Contractor hereby agrees that the Contractor shall promptly, as due, make payment to any person, partnership, association or corporation furnishing medical, surgical and hospital care or other needed care and attention incident to sickness or injury to the employees of such Contractor, of all sums which the Contractor agrees to pay for such services and all money and sums which the Contractor collected or deducted from the wages of employees pursuant to any law, contract or subcontract for the purpose of providing or paying for such service.

29. Confidentiality

All services, including reports, opinions and information, to be furnished under this contract are confidential and shall not be divulged by Contractor or Contractor's agents or employees, in whole or in part, to any person other than to representatives of the

Commission, except by testimony under oath in a judicial proceeding or as otherwise required by law or authorized in writing by the Commission Project Manager.

30. Key Personnel

Contractor acknowledges that Commission's award of this contract was made on the basis of the specialized background and abilities of the Contractor and subcontractor personnel originally identified in Contractor's competitive proposal (the "Key Personnel"). Contractor understands and agrees that unless Contractor obtains Commission's prior written consent, any attempted substitution or replacement of any Key Personnel, unless due to reasons outside Contractor's control (e.g. illness, termination of employment), shall constitute a material breach of this contract. In the event that Key Personnel of Contractor become unavailable at any time, Contractor shall replace the Key Personnel with personnel having substantially equivalent or stronger qualifications than the Key Personnel being replaced. All new Key Personnel are subject to Commission's written approval. Contractor shall remove any individual performing services under this contract if so directed by Commission in writing following discussion with Contractor, provided that Contractor shall have a reasonable time period within which to find a suitable replacement. Contractor represents and warrants that all Key Personnel are fully licensed and/or registered to perform the particular services assigned to them under this contract.

Merger Clause

THIS CONTRACT AND ATTACHED EXHIBITS CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION, OR CHANGE OF TERMS OF THIS CONTRACT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION, OR CHANGE IF MADE, SHALL BE EFFECTIVE ONLY IN SPECIFIC INSTANCES AND FOR THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS CONTRACT. CONTRACTOR, BY THE SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT HE OR SHE HAS READ THIS CONTRACT, UNDERSTANDS IT AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

**LIST OF EXHIBITS ATTACHED TO THE PERSONAL SERVICES CONTRACT FOR
FINANCIAL SYSTEMS CONSOLIDATION AND
LAWSON PROJECTS AND ACTIVITIES MODULE IMPLEMENTATION**

The following Exhibits are attached and incorporated into this Contract.

- EXHIBIT A. Contract Procurement, Scope and Objectives; Statement of Work; Acceptance Criteria; Portion of Revere’s Competitive Proposal Attached; Key Personnel; Performance Schedule; Cost of Services; Project Management; Billing and Payment Procedure; Work Products Requirements**
- EXHIBIT B. Insurance Requirements**
- EXHIBIT C. The “Project Approach and Understanding” Section of Revere’s Competitive Proposal dated August 16, 2010**
- EXHIBIT D. Financial System Consolidation Assessment – Consolidated Current State Analysis**
- EXHIBIT E. Financial System Consolidation Assessment – Consolidated Future State Analysis**
- EXHIBIT F. Financial System Consolidation Assessment – Future State Lawson Project and Activity Accounting Reimplementation Design Recommendations**
- EXHIBIT G. Future Interfaces**

**EXHIBIT A to the PERSONAL SERVICES CONTRACT for
Financial Systems Consolidation and
Lawson Projects and Activities Module Implementation**

**CONTRACT PROCUREMENT, SCOPE AND OBJECTIVES; STATEMENT OF WORK; ACCEPTANCE
CRITERIA; PORTION OF REVERE’S COMPETITIVE PROPOSAL ATTACHED; KEY PERSONNEL;
PERFORMANCE SCHEDULE; COST OF SERVICES; PROJECT MANAGEMENT; BILLING AND
PAYMENT PROCEDURE; WORK PRODUCTS REQUIREMENTS**

I. CONTRACT PROCUREMENT BACKGROUND, SCOPE AND OBJECTIVES

1. **Procurement.** This Personal Services Contract (this “Contract”) is awarded to **The Revere Group, Limited** (“Contractor” or “Revere”) following the evaluation of competitive proposals submitted in response to the **Portland Development Commission’s** (“PDC” or “Commission”) Request for Proposals #10-04 (the “RFP”), entitled *Financial Systems Consolidation and Lawson Projects and Activities Implementation*.
2. **Scope of Work.** Under this Contract, Revere agrees to provide PDC with information technology services to implement the strategy and recommendations from PDC’s Financial Systems Consolation Assessment and Lawson Projects and Activities Implementation Strategy project (this “Project”). In performing work under the Contract, Revere must meet the highest standards prevalent in the information technology consulting industry. Contractor shall complete all work no later than the expiration date of this Contract (as recorded on page 1 of this Contract) and in accordance with the agreed-upon performance schedule.
3. **Project Objectives.** The primary objectives of the work performed under this Contract include:
 1. Achieving streamlined consolidation of financial data and information and establishing a single source system and more effective business processes for PDC.
 2. Re-implementation and build-out of the Lawson Projects and Activities module and reconfiguration of other Lawson modules in use at PDC based on the recently completed financial systems consolidation assessment.
 3. Implementation of a Business Intelligence solution to support reporting and distribution of information from the new consolidated system.
 4. Integration of PDC’s applications with Lawson through the development and implementation of new interfaces.

II. STATEMENT OF WORK

The key services that Revere shall provide PDC under this Contract:

1. Project Management
2. Organizational Change Management
3. Re-implementation and build-out of the Lawson Projects and Activities module and reconfiguration of other Lawson modules in use at PDC
4. Implementation of a Business Intelligence solution to support reporting and distribution of information from the new consolidated system
5. Design, development, and testing of interfaces between identified applications
6. Training

Specifically, Revere will perform the following tasks and activities and provide PDC with the deliverables (or “Work Products”) listed below:

Task 1: Project Management

Revere shall provide a Project Manager to collaborate with PDC’s full-time Project Manager, supervised by PDC’s Project Management Office (“PMO”), to plan and manage the Project throughout its lifecycle.

	Objectives	Activities	Deliverables
Project Management	<ul style="list-style-type: none"> • The Project will be completed on schedule, within budget, and within scope. • The Project plans and results will align with project objectives and the business objectives of the PDC. • The Project will be managed through all phases • The Project will be executed in accordance with best practices project management methodology 	<p>Revere</p> <ul style="list-style-type: none"> • Lead and participate in the Contract Initiation Meeting • Manage Revere’s resources, budgets, and schedules • Draft, manage, and status Revere’s Contract Schedule, including any established partnerships, based on agreed-upon dates and deliverables, using a phased approach with multiple release and go-live dates • Attend and participate in project steering committee meetings • Attend and participate in project status meetings • Develop Project Status Report every two weeks that includes prior week’s accomplishments and planned future activities • Manage any partnerships created as part of this Project • Monitor and control project scope, schedule, and budget against milestones • Work with Organizational Change Management and Training teams to ensure consistency and integration of all activities <p>PDC</p> <ul style="list-style-type: none"> • Lead the development of the holistic Project Schedule, based on agreed-upon dates and deliverables • Establish the holistic Project Management Plan that includes scope, project resources, roles, 	<p>Revere</p> <ul style="list-style-type: none"> • Contract Initiation Meeting Agenda • Revere’s Contract Schedule • Revere’s contributions to Project Management Plan • Revere Project Status Reports • Projects lessons learned/closeout report <p>Shared Deliverables</p> <ul style="list-style-type: none"> • Project Management Plan • Project Schedule • Project Team Organization Chart • Contract Initiation Meeting Presentation • Project Budget • Project Kick-off meeting • Budget vs. Actual Reports for Project • Project Steering Committee Meeting Agendas, Notes, and Updates • Project Status Meeting Agendas and Notes • Project Change Request Documents as needed • External Project Communications (those not listed in any of the included deliverables) • Project Status Reports every two weeks • Risk Tracking Log • Issue Tracking Log

	Objectives	Activities	Deliverables
		<p>responsibilities, key deliverables and success criteria</p> <ul style="list-style-type: none"> • Manage all PDC Project Team resources • Schedule and lead project steering committee meetings • Schedule and lead project status meetings • Management of any 3rd party vendor relationships and issues outside of this Contract • Develop Project Status Report every two weeks that includes prior week's accomplishments and planned future activities • Monitor and control project scope, schedule, and budget against milestones <p>Shared Activities</p> <ul style="list-style-type: none"> • Determine and agree on timelines and major milestones • Maintain and status the holistic Project Schedule identifying tasks to ensure successful project implementation and monitor progress against the plan • Determine and manage risks which may jeopardize project success • Work with Revere Organizational Change Management team on the Communications Plan • Work with Revere Training team on the Training Plan • Work with Organizational Change Management and Training teams to ensure consistency and integration of all activities • Identify bottlenecks and work to resolve them 	

	Objectives	Activities	Deliverables
		<ul style="list-style-type: none"> • Monitor and control project scope and progress against milestones • Manage project change, including scope, schedule, and cost control • Resolve and/or escalate issues in a timely manner • Conduct pre-phase kick-off meetings • Monitor and update Project Management Plan • Manage risks and issue log 	

Task 2: Organizational Change Management

Revere shall provide organizational change management consulting services to support the Project throughout its lifecycle.

	Objectives	Activities	Deliverables
Organizational Change Management	<ul style="list-style-type: none"> • Ensure that the users are willing and able to accept and benefit from the changes • Ensure that PDC leadership and sponsorship clearly support and advocate for the project throughout the project lifecycle and beyond • Assess PDC’s organizational readiness to make and sustain change as a result of financial systems consolidation • Understand how the work and work flows at PDC will change including who will be impacted. • Ensure business owners are willing and able to accept and benefit from the changed work flows as well as develop strong ownership over the new workflows • Understand the organizational challenges to gaining necessary stakeholder commitment 	<p>Revere</p> <ul style="list-style-type: none"> • Assess PDC’s organizational readiness to make and sustain change as a result of financial systems consolidation as baseline for Organizational Change Management Road Map • Analyze and identify those areas and stakeholders in PDC that are impacted and affected by change from financial systems consolidation as the Stakeholder Impact Analysis part of the Organizational Change Management Road Map • Develop and implement an Organizational Change Management Roadmap including at a minimum: <ul style="list-style-type: none"> ○ Documenting and grouping different audiences, such as key players, decision makers, users, and general audience 	<p>Revere</p> <ul style="list-style-type: none"> • Organizational Change Management Road Map including Readiness Assessment, Stakeholder Impact Analysis, Communication Aids, and other areas outlined in the Activities column • Communications Plan that ensures all persons impacted by the implementation – Executives, stakeholders, and users, are kept informed at critical points. • Coaching of PDC communication agents through training, tools, and support • Ad hoc Project Communications (those not listed in any of the included deliverables) • Organizational Change Management activities as outlined and agreed upon in the Organizational Change Management Road Map

	Objectives	Activities	Deliverables
	<p>and develop an approach to meet these needs, according to identified success factors</p> <ul style="list-style-type: none"> • Implementation of project organizational change management plan 	<ul style="list-style-type: none"> ○ Selecting communication channels to determine the most effective individuals to deliver specific targeted messages ○ Determining communication media to select the most effective media for delivery of messages by audience ○ Establish Communication Aids as a single-source document of key messages, delineated and identified by risks, audiences, events, and delivery ○ Establish a multi-faceted approach for branding and promoting the project and subsequent consolidated system(s) ○ Translate findings and recommendations into activities that will increase the PDC's capacity to make and sustain major change ○ Establish frequent checkpoints, measure the effectiveness of the change initiative, and adjust as needed • Develop and implement a Communications Plan to inform and educate the multiple levels of PDC employees, including activities and a two-way communications strategy organized by audience, expectations, issues, and preferred communication channels • Coaching of PDC communication agents through training, tools, and support to ensure the high quality and 	<ul style="list-style-type: none"> • Workflow Change Strategy • Activities identified in and necessary to implement the Workflow Change Strategy in order to ensure business owners are willing and able to accept and benefit from the changed work flows as well as develop strong ownership over the new workflows <p>PDC</p> <ul style="list-style-type: none"> • None

	Objectives	Activities	Deliverables
		<p>consistency of the messages</p> <ul style="list-style-type: none"> • Develop a Workflow Change Strategy including at a minimum: <ul style="list-style-type: none"> ○ How the work and work flows at PDC will change ○ Who will be impacted ○ Changes in job roles ○ New role design as necessary ○ Role mapping as necessary ○ Implications to union-related job classifications • Lead effort with PDC management to implement the Workflow Change Strategy including ensuring business owners are willing and able to accept and benefit from the changed work flows as well as develop strong ownership over the new workflows • Work with Revere Project Management and Training teams to ensure consistency and integration of all activities <p>PDC</p> <ul style="list-style-type: none"> • Support the execution of the Communications Plan to ensure that all persons impacted by the implementation - stakeholders and end users, are kept informed at critical points. • Support the execution of the Workflow Change Strategy and engage where outlined 	

	Objectives	Activities	Deliverables
		<p>Shared Activities</p> <ul style="list-style-type: none"> • Deploy the Organizational Change Management Road Map – Roll out the activities and key messages as well as implement frequent checkpoints, measure the effectiveness of the change initiative, and adjust as needed, making the Organizational Change Management Road Map a living process. 	

Task 3: Re-implementation and build-out of the Lawson Projects and Activities Module and implementation of new configurations of other Lawson modules in use at PDC

Revere shall provide application consultants who adequately understand the functional usage of Lawson applications, modules and supporting software as listed in APPENDIX A of the RFP and those potentially necessary for the Project.

To complete the implementation of the Financial Systems Consolidation Assessment (“FSCA”) future state and the re-implementation of Lawson Projects and Activities module for this Project, PDC expects Revere to execute according to the objectives, tasks, and deliverables as outlined in this Section.

The objectives for this part of the project are to build-out the Lawson Activities module as described in the PDC Lawson Activities Implementation Strategy Framework as described in EXHIBIT F of this Contract and provide integration with other PDC systems.

- 1) Prepare and implement a detailed Lawson Activities structure based on the Financial System Consolidation Assessment and Lawson Project and Activity Accounting Re-implementation Design Recommendations as outlined in EXHIBIT F of this Contract.
- 2) Work with PDC to develop business rules needed to maintain the integrity of new and revised configuration settings and that govern the creation of new Lawson Activity Codes and their usage
- 3) Assess the impact on other Lawson modules such as Time Management and Lawson Purchase Order System
- 4) Identify and chart business process changes and new process flows based on new technical design.

The acceptance criteria for this task are listed in Section III below.

	Objectives	Activities	Deliverables
Business Process & Technical Design	<ul style="list-style-type: none"> • Map PDC’s projects and activities to the Lawson Projects and Activities • Identify Lawson system configuration setting and 	<p>Revere</p> <ul style="list-style-type: none"> • Evaluate and analyze current system workflows and conduct functional business 	<p>Revere</p> <ul style="list-style-type: none"> • Facilitated off-site design sessions • Precise, detailed functional specifications

	<p>changes necessary to implement and use the Lawson Activities and Projects module</p> <ul style="list-style-type: none"> • Identify other Lawson system configuration settings need to implement other aspects of the future state functionality outlined in the FSCA. • Identify and chart business process changes and new process flows based on technical design 	<p>process interviews</p> <ul style="list-style-type: none"> • Define business rules for module ownership and process for maintenance, updates and configuration • Develop PDC business rules for establishing project and activity codes in the AC module • Determine data conversion strategy • Identify the differences between current business model and the “to be” business model • Design the “to be” business model and implementation process based on the design developed, the FSCA project, and PDC business rules; map projects and activities to the structure • Define and design future workflows • Design of up to four (4) interfaces to transfer data to other systems • Work with PDC’s Master Data Management/Data Governance Committee to adhere to PDC’s standards and policies • Work with PDC’s business data stewards to determine business definition, data lineage, accountability of data quality, and data values <p>PDC</p> <ul style="list-style-type: none"> • Organize locate a suitable location for the design sessions • Participate in the design sessions <p>Shared</p> <ul style="list-style-type: none"> • Review the impact on the CoAM (Chart of Accounts Maintenance) application and identify changes if needed 	<p>and technical design document for structural elements needed to implement AC structure</p> <ul style="list-style-type: none"> • Document specifying configuration changes to Lawson modules as a result of the functional design • Document other changes needed to realize functional improvements. • Technical data conversion specifications • Detailed process flow models • Documented new business rules • Documented future workflows including any work flow automation with process flow integrator (PFI) <p>PDC</p> <ul style="list-style-type: none"> • Secure off-site location for design sessions • Functional and technical design specifications for modifications to CoAM • Current Projects for mapping to project codes in the new AC structure <p>Shared</p> <ul style="list-style-type: none"> • Mapping and coding names and levels for all PDC projects/activities to the designed activities structure
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<p>Business Process Modeling & Conference Room Pilot (CRP)</p>	<ul style="list-style-type: none"> • Prepare PDC project team for CRP • Provide the process to ensure that new system settings and processes are examined and are reached for future use of the system • Ensure documentation of all process and business rules 	<p>Revere</p> <ul style="list-style-type: none"> • Perform initial application setup • Develop CRP Plan • Develop CRP scripts (business scenarios to be modeled) • Load initial PDC data set • Conduct and lead CRP • Document decision made and accepted or modify recommendations • Document and lead issue resolution for issues identified during CRP • Create system design documentation and review with PDC • Support definition and implementation of business rules and requirements by PDC • Initiate script development for testing phases <p>PDC</p> <ul style="list-style-type: none"> • Participate in CRP • Support updating and/or development of CRP scripts • Agree on final business processes and system design • Support resolution of issues identified CRP 	<p>Revere</p> <ul style="list-style-type: none"> • CRP workshop • CRP plan • CRP capture document • CRP scripts • Issue log • Finalized system design including functional and technical requirements • Detailed new workflows <p>PDC</p> <ul style="list-style-type: none"> • None
<p>Integration Testing</p>	<ul style="list-style-type: none"> • Ensure module functions with the system according to design and configuration specifications • Test interfaces to ensure operability with Lawson and target systems • Check data integrity under all possible situations 	<p>Revere</p> <ul style="list-style-type: none"> • Develop and finalize test scripts • Create testing plan • Run Integrated Test setup and data conversion • Lead and coordinate the execution of the Integration Test • Document issues and resolutions 	<p>Revere</p> <ul style="list-style-type: none"> • Integration test scripts • Integration test plan <p>PDC</p> <ul style="list-style-type: none"> • Sign off on executed integration test scripts results

		<p>PDC</p> <ul style="list-style-type: none"> • Approve final test scripts • Execute test • Verify results data 	
<p>User Acceptance Testing (UAT)</p>	<ul style="list-style-type: none"> • Ensure the system functionally meets PDC’s requirements 	<p>Revere</p> <ul style="list-style-type: none"> • Develop and finalize testing scripts • Create UAT plan • Run UAT setup and data conversion • Lead and coordinate the execution of UAT • Document issues <p>PDC</p> <ul style="list-style-type: none"> • Develop additional test scripts • Approve final test scripts • Execute test • Verify results data <p>Shared</p> <ul style="list-style-type: none"> • Resolve issues 	<p>Revere</p> <ul style="list-style-type: none"> • Converted data • Test script issue log with resolutions • Lawson processes and integration points • Cutover runtime document <p>PDC</p> <ul style="list-style-type: none"> • UAT test plan • Executed test scripts
<p>Data Conversion & Clean-up</p>	<ul style="list-style-type: none"> • Ensure that historical data in Lawson is converted to function with the newly configured and consolidated Lawson system 	<p>Revere</p> <ul style="list-style-type: none"> • Develop and finalize conversion scripts for all identified Lawson data <p>PDC</p> <ul style="list-style-type: none"> • Identify data to be converted • Verify and validate data conversion <p>Shared</p> <ul style="list-style-type: none"> • Run conversation scripts • Resolve issues 	<p>Revere</p> <ul style="list-style-type: none"> • Conversion scripts • Data conversion plan • Run UAT setup and data conversion • Lead and coordinate the execution of UAT • Document issues <p>PDC</p> <ul style="list-style-type: none"> • List of data to be converted
<p>Implementation & Go-live Support</p>	<ul style="list-style-type: none"> • Bring the systems into operation • Resolve critical system issues quickly with minimal business disruption • Decommission existing databases 	<p>Revere</p> <ul style="list-style-type: none"> • Provide functional support through the first monthly close with the re-implemented Projects and Activities module. PDC to determine when and how to utilize the hours allocated for this purpose. 	<p>Revere</p> <ul style="list-style-type: none"> • Post cutover support • Projects lessons learned/closeout report <p>PDC</p> <ul style="list-style-type: none"> • Decommission and archive old interfaces and databases

		<ul style="list-style-type: none"> • Provide ninety (90) days of post go-live support. • Resolution of all Lawson application and interface issues. • Provide projects lessons learned/closeout report • Schedule decommissioning of no longer needed databases and interfaces. <p>PDC</p> <ul style="list-style-type: none"> • Decommission and archive old interfaces and databases. 	
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Task 4: Business Intelligence Implementation to Support Reporting and Distribution of Information from the new Consolidated System

Revere shall provide certified application consultants who adequately understand the technical aspects and functional usage of Lawson Business Intelligence (“LBI”) and Crystal Reports. Additionally, PDC had LBI installed and certified during a previous project, but believes the configuration is not appropriate for expanded usage. Revere must be Lawson Certified for LBI installation in order to assist with the reinstallation and relocation of the existing LBI configuration.

To complete the implementation of Business Intelligence to support the newly consolidated system, Revere shall execute according to the objectives, tasks, and deliverables as outlined in this Section. The acceptance criteria for this task are listed in Section III below.

	Objectives	Activities	Deliverables
System Setup & Configuration	<ul style="list-style-type: none"> • Ensure that Business Intelligence application is properly installed and configured to support new consolidated system 	<p>Revere</p> <ul style="list-style-type: none"> • Verify the installation and setup of the Business Intelligence application on PDC servers • Document application configuration • Validate system hardware configuration • Perform operational and environmental setup including software configuration if necessary <p>Shared</p> <ul style="list-style-type: none"> • Reinstall and relocate existing LBI configuration 	<p>Revere</p> <ul style="list-style-type: none"> • Document application configuration • Certify fully configured system <p>PDC</p> <ul style="list-style-type: none"> • Fully configured system

<p>Requirements & Design</p>	<ul style="list-style-type: none"> Identify the reporting needs of PDC and design up to 30 reports 	<p>Revere</p> <ul style="list-style-type: none"> Conduct design sessions with PDC users to develop functional and technical specifications for possibly 30 reports to support the newly consolidated system Create process which provides for the automation of reports distribution and access to a menu of available reports <p>PDC</p> <ul style="list-style-type: none"> Validate and sign-off on report designs and specifications <p>Shared</p> <ul style="list-style-type: none"> Document metadata to include business definition, data lineage, valid values, domain values, Business Data Steward, and IT Data Steward Review Financial Warehouse need and discuss potential elimination Review Report Manager database need and discuss potential elimination 	<p>Revere</p> <ul style="list-style-type: none"> Design sessions Report functional designs and technical specifications for Business Intelligence reports and report distribution Provide report documentation and completed report templates/code <p>PDC</p> <ul style="list-style-type: none"> None
<p>Development & Testing</p>	<ul style="list-style-type: none"> Produce up to 30 reports using Crystal Reports 	<p>Revere</p> <ul style="list-style-type: none"> Code and test reports <p>PDC</p> <ul style="list-style-type: none"> Validate accuracy of information in each report 	<p>Revere</p> <ul style="list-style-type: none"> Thirty (30) reports that support the use of the consolidated system. Of these 30 reports: <ul style="list-style-type: none"> 5 will be highly complex and involve multiple data sources (building a data mart may be required) 10 will be of high complexity 10 will be of moderate complexity 5 will be of simple complexity <p>PDC</p> <ul style="list-style-type: none"> None

<p>Implementation & Go-live Support</p>	<ul style="list-style-type: none"> Resolve any critical issues quickly with minimal business interruption 	<p>Revere</p> <ul style="list-style-type: none"> Provide support where needed and resolve any problems identified as a result of using reports in production Provide training on LBI per Task 4 activities <p>PDC</p> <ul style="list-style-type: none"> Move tested reports into production 	<p>Revere</p> <ul style="list-style-type: none"> Up to thirty (30) fully tested reports User report documentation LBI Training <p>PDC</p> <ul style="list-style-type: none"> None
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Task 5: Lawson Interfaces

Revere shall provide application consultants who adequately understand the technical aspects and functional usage Lawson applications and modules including GL, CB, RQ, PO, AP, AC and PFI.

To complete the development and implementation of outbound Lawson interfaces (as shown in EXHIBIT G of this Contract) and assist with the development of inbound interface requirements, Revere shall execute according to the objectives, tasks, and deliverables as outlined in this Section. The objectives for this part of the Project are:

- 1) Development of two (2) daily batch interfaces to PDC’s loan management application that:
 - a) Interface vendor numbers from Lawson AP, and
 - b) Interface payment information from Lawson AP
- 2) Development of two (2) daily batch interfaces to PDC’s Project Portfolio application that:
 - a) Interface Lawson activity codes, and
 - b) Interface activity attributes from Lawson AC
- 3) Provide necessary technical requirements for any inbound interface to the Lawson system to automate the creation of activity codes, requisitions, purchase orders, budgets and other information identified in the function design.

The acceptance criteria for this task are listed in Section III below.

	Objectives	Activities	Deliverables
<p>Requirements</p>	<ul style="list-style-type: none"> Ensure that requirements for interfaces with (in bound and out bound) PDC’s loan management , budget development and Project Portfolio application 	<p>Revere</p> <ul style="list-style-type: none"> Determine the data needed from Lawson ERP by the loan management and Project Portfolio applications. Determine the frequency that the data needs to be interfaced to loan management and Project Portfolio applications Work with PDC and the loan management system implementer by providing Lawson expertise and knowledge necessary to 	<p>Revere</p> <ul style="list-style-type: none"> Requirements document detailing data requirement for target system and interface frequency for four (4) outbound Lawson interfaces For each inbound interface to Lawson a set of requirements detail the information that Lawson requires. <p>PDC</p> <ul style="list-style-type: none"> None

		<p>build interfaces where Lawson is the target system</p> <p>PDC</p> <ul style="list-style-type: none"> • Participate in requirements definition process • Validate and approve interface requirements 	
Design	<ul style="list-style-type: none"> • Create design documents to be used by developers for coding interfaces. 	<p>Revere</p> <ul style="list-style-type: none"> • Determine the data needed from Lawson by the loan management and Project Portfolio applications. • Determine the frequency that the data needs to be interfaced to loan management and Project Portfolio applications • Evaluate designs of interface where Lawson is the target system <p>PDC</p> <ul style="list-style-type: none"> • Participate in design process • Approve design documents 	<p>Revere</p> <ul style="list-style-type: none"> • Detailed functional and technical interface design document including PFI workflow triggers <p>PDC</p> <ul style="list-style-type: none"> • None
Development & Testing	<ul style="list-style-type: none"> • Development and testing of interface before moving them to integration testing 	<p>Revere</p> <ul style="list-style-type: none"> • Based on detail technical and functional specifications, code and unit test each interface <p>PDC</p> <ul style="list-style-type: none"> • Support development process 	<p>Revere</p> <ul style="list-style-type: none"> • Four unit tested interfaces • Operational documentation and specifications <p>PDC</p> <ul style="list-style-type: none"> • None
Implementation & Go-live Support	<ul style="list-style-type: none"> • Resolve any critical issues quickly with minimal business interruption 	<p>Revere</p> <ul style="list-style-type: none"> • Four unit tested interfaces • Operational documentation and specifications <p>PDC</p> <ul style="list-style-type: none"> • Approve cutover plans and schedules 	<p>Revere</p> <ul style="list-style-type: none"> • Cutover contingency plan • Operational documentation and specifications <p>PDC</p> <ul style="list-style-type: none"> • None <p>Shared</p>

		<ul style="list-style-type: none"> • Approve contingency plan • Approve readiness assessment <p>Shared</p> <ul style="list-style-type: none"> • Perform Readiness assessment 	<ul style="list-style-type: none"> • Readiness assessment
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Task 6: Training

Revere shall provide training and application consultants who adequately understand the functional usage of Lawson modules as listed in APPENDIX A of the RFP and those potentially necessary for this Project. To complete this Project, Revere shall execute according to the objectives, tasks, and deliverables as outlined in this Section.

	Objectives	Activities	Deliverables
Project Team Education	<ul style="list-style-type: none"> • Ensure foundational knowledge exists for core project team to enable them to actively engage in the design sessions and testing rounds • Ensure knowledge transfer to project team to provide understanding of Lawson Projects and Activities module throughout project • Ensure knowledge transfer to project team to provide understanding of final consolidation of all systems throughout project 	<p>Revere</p> <ul style="list-style-type: none"> • Provide training on the Lawson Projects and Activities and any other Lawson module necessary prior to design sessions • Work with Revere Organizational Change Management and Project Management teams to ensure consistency and integration of all activities <p>PDC</p> <ul style="list-style-type: none"> • Schedule PDC training room and attendees for module training prior to design sessions • Attend project team training prior to design sessions 	<p>Revere</p> <ul style="list-style-type: none"> • Lawson Projects and Activities module training and documentation prior to design sessions • Any other necessary Lawson module training and documentation prior to design sessions • Final Lawson Projects and Activities Module Configuration Document • Final PDC Systems Consolidation Configuration Document <p>PDC</p> <ul style="list-style-type: none"> • None
User Training	<ul style="list-style-type: none"> • Ensure that users understand the new business procedures and workflows • Ensure that users understand how the new activity structure works and how to code transactions. • Ensure that users understand how to use and benefit from the new systems consolidation as a whole 	<p>Revere</p> <ul style="list-style-type: none"> • Develop and implement a Training Plan to train and educate the multiple levels of PDC users • Provide training and documentation on new business procedures and workflows • Provide training and documentation on new activity structure and coding processes 	<p>Revere</p> <ul style="list-style-type: none"> • Revere’s Training Plan • Executed training sessions and associated documentation on new business procedures and workflows • Executed training sessions and associated documentation on new activity structure and coding processes • Executed training sessions

	Objectives	Activities	Deliverables
	<ul style="list-style-type: none"> • Ensure that the PDC Executive Team and Managers are trained and understand the consolidation as a whole as well as what it can do for them • Ensure that administrators and super users are trained in appropriate system functionality • Ensure that select PDC employees (technical and functional) are trained in the use of the chosen BI reporting tools, reporting services, and dashboard administration 	<ul style="list-style-type: none"> • Provide training and documentation on how to use and benefit from the new systems consolidation as a whole • Provide training for PDC Executive Team at the appropriate level • Provide training for PDC Managers at the appropriate level • Provide administrator training for knowledge transfer and ongoing maintenance purposes • Provide super user training for knowledge transfer and ongoing maintenance/advocacy purposes • Work with Revere Organizational Change Management and Project Management teams to ensure consistency and integration of all activities <p>PDC</p> <ul style="list-style-type: none"> • Schedule PDC training room and attendees for training sessions • Attend trainings • Receive knowledge transfer 	<p>and associated documentation on how to use and benefit from the new systems consolidation as a whole</p> <ul style="list-style-type: none"> • Executed training sessions and associated documentation for PDC Executive Team • Executed training sessions and associated documentation for PDC Managers • Executed training session and associated documentation for administrators for knowledge transfer and ongoing maintenance purposes • Executed training session and associated documentation for super users for knowledge transfer and ongoing maintenance/advocacy purposes • Business intelligence application training for chosen BI reporting solution recommendation including training on reporting tools, reporting services, and dashboard administration <p>PDC</p> <ul style="list-style-type: none"> • None

III. ACCEPTANCE CRITERIA

The acceptance criteria for Tasks 3, 4 and 5 in Section II above are focused specifically and exclusively on the ability for the installed environment to be usable and functional by the anticipated users. Acceptance will not be based on the delivery of hardware (if any), software (if any), and documentation. Final acceptance will be based on the usability and functionality of the PDC-approved design of the system.

IV. PORTION OF REVERE’S COMPETITIVE PROPOSAL ATTACHED

The section entitled “Project Approach and Understanding” of Revere’s competitive proposal to PDC, dated August 16, 2010 and revised during subsequent negotiations between PDC and Revere, is hereby made a part of this Contract and attached as EXHIBIT C. In the event of a conflict of any work requirements between EXHIBIT C and this EXHIBIT A, this EXHIBIT A will govern.

V. KEY PERSONNEL

The Revere (and any applicable subcontractor) personnel (the “Key Personnel”) listed in the table below above are the only Key Personnel assigned to perform work under this Contract. See also Paragraph #30 in the Standard Contract Terms and Conditions section of this Contract.

Revere Team Role	Personnel Assigned
Executive Sponsor	Michael Horne
Quality Assurance Manager	Rick Powers
Project Manager	James Chen
Financials Business Consultant	Mark Silva
Change Management Consultant	Dan Cunningham and/or TBD
Business Intelligence Lead	Ryan Anker
LBI Developer	Wendy Batey
Senior Technical Consultant / LBI Technical Architect	Andrew Woodward
Public Sector Subject Matter Expert	Jay Polack

Any replacement, substitution or addition of Key Personnel shall be subject to the written approval of PDC. An email exchange between the parties’ project managers will suffice for purposes of “written agreement” under this provision.

VI. PERFORMANCE SCHEDULE

Work is to be performed and deliverables provided to PDC in accordance with the agreed-upon performance schedule that will be developed as part of the planning phase in the Project Management task of the Project. That schedule is subject to change only upon mutual written agreement between PDC Contract Manager and Revere Project Manager. An email exchange between the parties’ project managers will suffice for purposes of “written agreement” under this provision.

VII. COST OF SERVICES

- 1. Total Compensation.** In consideration of the satisfactory performance of services Revere agrees to provide under this Contract, PDC agrees to compensate Revere a sum not to exceed ONE MILLION FIVE HUNDRED NINETY-FIVE THOUSAND and 00/100 DOLLARS (\$1,595,000.00).
- 2. Milestone Payments (Consulting Services).** PDC will make payments to Revere for the delivery of services provided hereunder on the basis of a) Revere’s satisfactory completion of the following milestones and b) PDC’s acceptance of work products associated with those milestones:

Milestone Schedule			
Phase	Task	Deliverable	Amount
Planning & Initiation	Project Management	Project Management Plan	\$15,000
		Project Charter	\$15,000
		Quality Management Plan	\$15,000
		Communication Plan	\$20,000
Design	Org Change Mgmt	Change Management Roadmap	\$50,000
		Communication / Change Agent Plan	\$50,000
		High-Level Future State Work Flows	\$60,000
	AC-Reimplementation	Lawson AC Configuration Design Document	\$50,000

Milestone Schedule				
Phase	Task	Deliverable	Amount	
		Lawson PO Configuration Design Document	\$50,000	
		Lawson FIN Configuration Design Document	\$50,000	
Development & Testing	Project Management	CRP Test Plan	\$15,000	
		Integrated Test Plan	\$15,000	
	AC-Reimplementation	CRP Test Scripts	\$25,000	
		Conversion Technical Design Document	\$30,000	
		Conversion Programs	\$20,000	
		Application Integrated Test Scripts	\$25,000	
		Updated Configuration Design Documents	\$50,000	
		Interfaces	Interface Requirements Definition	\$15,000
			Interface Technical Design Document	\$20,000
			Interface Program System Test	\$15,000
			Interface Programs	\$35,000
		LBI	LBI Development System/Environment	\$20,000
			LBI Production System/Environment	\$20,000
			Report FDT/TDS Templates	\$10,000
			Report Function Design Specifications	\$40,000
			Report Technical Design Specifications	\$40,000
			Report Sign-Off	\$40,000
	LBI System Performance Test Plan & Schedule		\$20,000	
	Reporting Integration Test Plan & Schedule		\$20,000	
	Financial Manager Database Assessment Document		\$10,000	
	Report Manager Database Assessment Document		\$10,000	
		Framework Services, Smart Notifications, Scorecard and Dashboard Training Materials	\$12,000	
		Reporting Services Training Materials	\$12,000	
		Crystal Training Materials	\$12,000	
		Report Recipient Training Materials	\$12,000	
	Org Change Mgmt	Organization/Structure Alignment Document	\$28,000	
		Job Definitions	\$28,000	
Execution Support Summary		\$28,000		
End User Training	Training	Detail Training Plan	\$10,000	
		Core Team Training	\$32,000	
		End User Training	\$32,000	
		Executive Training	\$22,000	
Go Live	Project Management	Production System	\$107,800	
		Total Consulting Services	\$1,205,800	

3. Retainage.

1. *Amount.* Revere agrees that all milestone payments will be subject to a RETAINAGE OF TEN PERCENT (10%) (ex. \$5,000 from a \$50,000 invoice will be withheld until release of the retainage). Reimbursement of travel expenses is not subject to retainage.
2. *Release of Retainage.* The entire retainage, plus any interest income that may accrue to the benefit of Revere, will be paid to Revere upon the successful completion and PDC's written acceptance of all final deliverables / milestones under the authority of the PDC Professional Services Manager. Payment of the retainage by PDC does not constitute a waiver or release by PDC of its available rights and remedies under this Contract.

3. *Performance Incentives.* PDC – through its Professional Services Manager – may reduce Revere’s retainage payment percentage based upon Revere’s exceptional management of Contract schedule, scope and budget or for other reasons deemed appropriate by PDC.
 4. *Termination for Cause.* Should this Contract be terminated for reasons related to the Revere’s failure to perform to PDC’s satisfaction, the retainage plus interest income will revert to PDC as liquidated damages in addition to any other penalties and/or damages available under this Contract.
- 4. Travel & Incidental Expenses.** In addition to the milestone payments listed in Section VII.2 above, PDC will reimburse Revere a sum not to exceed **\$240,000**, for travel only when the travel is essential to the Revere’s duties under this Contract. Unless this Contract is amended to increase this amount, Revere will bear all travel expenses in excess of the aforesaid sum. Revere must receive PDC’s prior authorization for travel conducted under this Contract and Revere must provide PDC with copies of receipts of all travel expenses for which reimbursement is sought, except for meals. All travel expenses will be billed to PDC at Revere’s direct cost (i.e. without mark-up).

Revere agrees to conduct all travel in the most cost-efficient and cost-effective manner, resulting in the best value to PDC and the public. Revere’s reimbursement for certain types of travel expenses will be limited in the following manner:

- Airfare will be reimbursed at round-trip economy/coach class rate
- Airport parking will be reimbursed at the long-term or economy lot rate for that airport
- Rental vehicle expenses will be reimbursed for economy or compact-sized vehicles*
- Lodging will be reimbursed at a moderate standard room rate
- Meals and incidental expenses (“M&IE”) will be reimbursed using the U.S. General Services Administration (“GSA”) per diem rate for Portland, Oregon at the time expenses are incurred (for the period of October 1, 2010 through September 30, 2011, the full-day per diem rate for Portland, Oregon is \$66.00 per day; M&IE will be prorated appropriately on the first and last day of travel)
- Travel using Key Personnel’s privately-owned vehicles (“POV”) to an from an airport will be reimbursed at the current GSA rate for POVs and the lesser of: a) the distance from the Key Personnel’s residence to the airport or b) the distance from the Key Personnel’s place of business to the airport

PDC may require additional documentation to support requested travel expense reimbursement.

- * Revere should note that Portland, Oregon has an excellent regional public transit system (Tri-Met), including light rail transportation from the Portland International Airport (PDX) to downtown Portland. PDC strongly encourages the use of public transportation for all local transit related to the performance of work under this Contract.

5. **Hourly Rates of Revere Personnel.** The following hourly rates will be used as part of negotiations for any requested and agreed-upon modifications to the Statement of Work and milestone payments in accordance with the Contract Contingency provision in Section VII.6 below.

Revere Team Role	Hourly Rate
Executive Sponsor	\$175.00
Quality Assurance Manager	\$175.00
Project Manager	\$175.00
Financials Business Consultant	\$150.00
Change Management Consultant	\$175.00
Business Intelligence Lead	\$150.00
LBI Developer	\$150.00
Senior Technical Consultant / LBI Technical Architect	\$150.00
Public Sector Subject Matter Expert	\$150.00

6. **Contract Contingency.** The PDC-controlled contingency for this Contract is **\$149,200**. As part of a formal change management process for the Project, at its sole and absolute discretion, PDC may allocate contingency funds as necessary as project risks and unknowns are discovered during performance of the work under Contract.

7. **Total Cost of Services.** The following summarizes the total cost of services to complete the work required under this Contract

TOTAL COST OF SERVICES, SUMMARY	
Milestone Payments (Consulting Services)	\$1,205,800
Travel Expenses	\$240,000
Contract Contingency	\$149,200
Total Cost of Services:	\$1,595,000

VIII. PROJECT MANAGEMENT

PDC’s Project Manager for this Contract (the “PDC Project Manager”) is John Cronise, or such other person as designated by the Manager of PDC’s Project Management Office. The PDC Project Manager is authorized to approve work and billings hereunder and to carry out other PDC actions referred to herein, subject to applicable policies and administrative rules specific to PDC.

Revere’s Project Manager (the “Revere Project Manager”) is James Chen, or such other person(s) as designated in writing by the Revere’s Executive Sponsor and approved by the Manager of PDC’s Project Management Office.

IX. BILLING AND PAYMENT PROCEDURE

1. For payment, Revere shall submit to PDC an itemized invoice in a form and in sufficient detail to determine the work performed for the amount requested. The invoice shall contain at a minimum:

- Invoice date
- Contract number
- Milestone(s) complete and corresponding milestone payment(s), less ten percent (10%)
- Payment amount subject to retainage
- Summary of travel expenses

2. The form shall be determined by the PDC Project Manager. Invoices will be submitted upon written acceptance of milestone deliverables by PDC.
3. PDC shall process payment in its normal course and manner for accounts payable, **NET 30 DAYS**. Discounts offered by the Revere for earlier payment are encouraged, but PDC shall not be obligated to make payment in less than 30 days from the date the invoice is received.
4. PDC reserves the right to reject and refuse payment of any invoice received by PDC either a) more than 90 days following the date on which the final work product is accepted by PDC, or b) more than 90 days following the expiration date of this Contract, whichever is sooner.

X. WORK PRODUCTS REQUIREMENTS

Any documents provided to PDC this Contract should be in electronic format on CD, DVD and/or email, meeting the following criteria:

- When requested by PDC, Revere must provide materials in the native file format of the programs they were created in: Microsoft Word, Quark Express, and Adobe Creative Suite (InDesign, Illustrator and Photoshop).
- Print projects require high-resolution electronic files of all “placed art and images” used in the layout (300-dpi minimum resolution, in .EPS, .TIF (preferred) or .JPEG format, as appropriate)
- Web projects require web-optimized graphics, all native, editable PhotoShop and Flash files used to produce graphics and animations, and HTML and CSS files created in the development of the web site

If the above formats are not available, provide files in two (2) versions of "Adobe Acrobat PDF":

- Print quality (high resolution) PDF document suitable for print and
- Web quality (standard resolution) PDF documents suitable for posting on our website.

Revere will also provide three (3) hard copies of any document, when requested by PDC, preferably on recycled paper.

**EXHIBIT B to the PERSONAL SERVICES CONTRACT for
Financial Systems Consolidation and
Lawson Projects and Activities Module Implementation**

INSURANCE REQUIREMENTS

Prior to execution of this Contract, Revere must provide PDC with adequate certificates of insurances, consistent with the following requirements. The Revere's insurance shall be primary insurance, and any insurance or self-insurance maintained by PDC and/or the City of Portland shall not contribute to it.

During the term of this Contract, Revere shall maintain in force at its own expense, each type of insurance noted below:

1. **Workers' Compensation insurance** in compliance with ORS 656.017, which requires subject employers to provide Oregon workers' compensation coverage for all their subject workers. (Required of contractors with one or more employees, unless exempt under ORS 656.027).

Required and attached

2. **Commercial General Liability insurance** on an occurrence basis with a combined single limit of not less than **\$3,000,000** each occurrence for bodily injury and property damage. The general liability insurance shall provide contractual liability coverage for the indemnity required under this contract. The coverage shall name "**The Portland Development Commission and the City of Portland and each of their respective officers, agents, and employees**" as Additional Insured with respect to the Revere's services to be provided under this contract. Endorsement CG 20 10 11 85, or its equivalent, must be attached to the Certificate.

Required and attached or Waived by Chief Financial Officer

3. **Automobile Liability insurance** with a combined single limit of not less than **\$1,000,000** each occurrence for bodily injury and property damage, including coverage for owned, hired, or non-owned vehicles, as applicable.

Required and attached or Waived by Chief Financial Officer

4. **Professional Liability insurance** with a combined single limit of not less than **\$2,000,000** against liability for personal injury, death or damage of property, including loss of use thereof, arising from the Revere's professional negligence, malpractice, errors or omissions in any way related to this contract.

Required and attached or Waived by Chief Financial Officer

5. **Tail Coverage.** For Professional Liability written on a "claims made" basis and for any other required liability insurance provided on a "claims made" basis, "tail" coverage will be required at the completion of the contract for a duration of twenty four (24) consecutive months. In lieu of "tail" coverage, continuous "claims made" liability coverage for a term of twenty four (24) consecutive months immediately following contract completion will be acceptable to PDC, provided the retroactive date of the coverage is on or before the effective date of this contract.

6. **All Types of Insurance.** There shall be no cancellation, material change, reduction of limits, or intent not to renew the insurance coverage(s) without **written notice** from the Revere or its insurer(s) to PDC.

7. **Certificates of Insurance.** As evidence of the insurance coverage required by this Contract, the Revere shall furnish acceptable insurance certificates to the PDC at the time, or prior to the time, Revere returns signed contracts. The General Liability certificate shall name "**The Portland Development Commission and the City of Portland and each of their respective officers, agents, and employees**" as additional insured but only with respect to the Revere's services to be provided under this Contract. **Endorsement CG 20 10 11 85** or its equivalent must be attached to the Certificate. Insuring companies or entities are subject to PDC acceptance. If requested, complete copies of the insurance policy shall be provided to the PDC. The Revere shall be financially responsible for all pertinent deductibles, self-insured retentions, and/or self-insurance.

**EXHIBIT C to the PERSONAL SERVICES CONTRACT for
 Financial Systems Consolidation and
 Lawson Projects and Activities Module Implementation
 I.**

**THE “PROJECT APPROACH AND UNDERSTANDING” SECTION OF REVERE’S COMPETITIVE PROPOSAL
 DATED AUGUST 16, 2010**

All phases of this project will utilize The Revere Group Project Management and Delivery Methodologies where applicable. Mid-Level activities and their responsibility, deliverables and assumptions for each phase are detailed in this section. Revere uses the following definitions in each phase when assigning responsibility for an activity:

- Primary (P): Organization has primary responsibility of ensuring activity or deliverable is completed.
- Assist (A): Organization is responsible for assisting with activity if requested. Depending on the level of assistance requested - this may or may not require a change order to the SOW if the level effort required to provide the assistance is greater than hours outlined in. This will be determined jointly by the client and the Revere Group Project Manager.
- Out of Scope (O): Activity is in the scope of the Project but out of scope as it pertains to the responsible party.

The following is a graphical presentation of the tasks by weeks and phases of the project:

	Planning & Initiation						Design									
	Sept		October				November				December					
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Project Mgmt																
Change Mgmt																
AC Re-Implem																
LBI																
Interfaces																
Training																

Weeks	Development & Testing												End User Trng				Go
	March				April				May				June				
	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	
Project Mgmt																	
Change Mgmt																	
AC Re-Implem																	
LBI																	
Interfaces																	
Training																	

Task 1: Project Management

The focus of this phase is on completing all project planning tasks, confirming assumptions and updating the project schedule. Once the project plan is finalized in this phase, any changes or delays can result in project deadline slippage. If this should occur, it will be immediately escalated to the executive steering committee for resolution. Resolution can include but is not limited to staff re-assignments, extended hours or change order to adjust deadlines. This phase involves, but is not limited to the following activities and deliverables. Coordination and communication with the Loan Management Software Implementation project team during each phase will be key to our project success.

Duration: 44 weeks
 Project schedule details are contained in Appendix B.

Planned Activities:

Activities Description	Project Team Participation	
	Revere	PDC
Prepare Project Initiation Meeting Agenda	P	A
Conduct Project Initiation Meeting	P	A
Identify Steering Committee and Project Team Members	A	P
Develop Detail Project Plan	A	P
Draft Project Charter	A	P
Prepare Project Management Plan	A	P
Prepare Issues Database	P	A
Prepare Risk Management Plan	P	A
Prepare Quality Management Plan	P	A
Prepare Communication Plan	A	P
Develop Organization Plan	A	P
Establish Project Budget Tracking System	P	A
Establish and manage risk management log	P	A
Establish and manage issue tracking log	P	A
Conduct Project Kick-Off Meeting	A	P
Establish Project Status Meeting Schedule	A	P
Establish Steering Committee Meeting Schedule	A	P
Participate in bi-weekly Steering Committee Meeting	A	P
Prepare bi-weekly Project Status Report	P	A
Participate in weekly Project Status Meetings	P	A
Manage project resources, budgets and schedules	P	A
Coordinate change management activities and training activities for effectiveness and consistency	P	A
Regular communication / coordination with Loan Management Software Implementation project team	P	A

P = Primary, A= Assist, O = Out of Scope

Deliverables:

Deliverable Summary Description	Project Team Participation	
	Revere	PDC
Project Initiation Meeting Agenda	P	A
Contract Initiation Meeting Presentation	P	A
Contract Schedule	P	A
Project Management Plan	A	P
Project Status Reports (every 2 weeks)	P	A
Project Budget	P	A
Project Kick-Off Meeting	A	P
Project Lessons Learned / Closeout Report	P	A
Communication Plan	A	P
Project Team Organization Chart	A	P
Project Schedule	A	P
Project Charter	A	P
Detail Project Plan	A	P
Risk Management Plan	P	A
Quality Management Plan	P	A
Organization Plan	A	P
Project Budget Tracking System	P	A
Budget vs Actual Reports	A	P
Steering Committee Meeting Agendas, Notes and Updates	A	P

Deliverable Summary Description	Project Team Participation	
	Revere	PDC
Project Status Meeting Agendas, Notes and Updates	A	P
Project Change Request Documents (as needed)	A	P
External Project Communications	A	P

P = Primary, A= Assist, O = Out of Scope

Required Team Members and Responsibilities:

Team Member	Responsibilities / Duties
Revere Executive Sponsor	Responsible for aligning overall Revere corporate and project resources to ensure success. Subject matter expert to help plan and ensure the overall effectiveness of organization change management activities. Attends project steering and /or other meetings as applicable.
Revere Quality Assurance Manager	Responsible for reviewing the overall quality of the Revere deliverables and efforts on the project - overall responsibility and escalation point for PDC to ensure the project is delivered to PDC's satisfaction. Provides guidance to Project Manager and Project team. Attends project steering meetings. Reviews and provides input on key deliverables and provides other subject matter expertise for deliverable development as needed
Revere Project Manager	Co-manage the project; assist with the project management plan, project schedule, communication plan, project charter, project organization plan and detailed project plan. Develop the risk management plan, quality management plan and project budget tracking system.
Financial Business Consultant	Provide input in the Project Management Plan and participate in the Project Initiation meeting and the project kickoff meeting. Participate in weekly status meeting. Prepare and submit a weekly status report.
Change Management Consultant	Provide input in the Project Management Plan and participate in the Project Initiation meeting and the project kickoff meeting. Participate in weekly status meeting. Prepare and submit a weekly status report.
Business Intelligence Lead	Provide input in the Project Management Plan and participate in the Project Initiation meeting and the project kickoff meeting. Participate in weekly status meeting. Prepare and submit a weekly status report.
Senior Technical Consultant	Provide input in the Project Management Plan and participate in the Project Initiation meeting and the project kickoff meeting. Participate in weekly status meeting. Prepare and submit a weekly status report.
PDC Project Manager	Co-manage the project, develop the project management plan, project schedule, communication plan, project charter, project organization plan and detailed project plan. Assist with the risk management plan, quality management plan and project budget tracking system.
PDC Steering Committee Members	Participate in bi-weekly steering committee meetings, review project status reports, and act as escalation points for barrier removal.
PDC Subject Matter Experts	Participate in the project kick-off meeting, and weekly project status meetings.

Additional Required Resources:

Additional Resources
Work Space for 5 consultants
Access to PDC facility for 5 consultants
Telephone access for 5 consultants
Photo copier access for 5 consultants
Internet access for 5 consultants
Lawson support IDs for 5 consultants
Flip Chart and papers for note taking during project related meetings
Lawson Test system IDs for 5 consultants
Locking file cabinet for storage of project papers
Access to a shared drive / server for storage of all project related materials
Meeting Room for Kick-Off Meeting
Meeting Room for weekly status meetings
Meeting Room for bi-weekly steering committee meetings

Task 2: Organizational Change Management

The goal of the Organization Change Management effort is to better define and understand the impacts resulting from work flow and system changes and ensure readiness of stakeholders for changes to their roles and responsibilities. This includes a better understanding of desired value/benefits, required skill and behavior changes and alignment to PDC’s culture and previous change history. The initial deliverable, the Change Management Road Map, will validate the right mix of activities and messaging to engage stakeholders and sustain desired changes.

As outlined in the RFP, the objectives for Organizational Change Management include:

- Ensure that the users are willing and able to accept and benefit from the changes
- Ensure that agency leadership and sponsorship clearly support and advocate for the project throughout the project lifecycle and beyond
- Assess PDC’s organizational readiness to make and sustain change as a result of financial systems consolidation
- Understand how the work and work flows at PDC will change including who will be impacted.
- Ensure business owners are willing and able to accept and benefit from the changed work flows as well as develop strong ownership over the new workflows
- Understand the organizational challenges to gaining necessary stakeholder commitment and develop an approach to meet these needs, according to identified success factors
- Implementation of project organizational change management plan

Duration: 14 weeks

The Organizational Change Management efforts require approximately 22 weeks of full time support from 1 FTE. The timeline for the Organizational Change Management activities will start in mid-December (as Design phase is completed) and continue until mid-May (as training development begins). This approach ensures that system design is near completion as this is a key input into future state workflow design and impact assessments. To ensure effective communications from the onset of the project, the Project Manager will develop/distribute initial project communications (“awareness” messaging). Project schedule details are contained in Appendix B.

Planned Activities:

Activities Description	Project Team Participation	
	Revere	PDC
Gather/review additional information about project (e.g., scope updates, system design)	P	A
Conduct initial Stakeholder Impact Assessment (interviews with project team, subject matter experts, business/IS stakeholders, sponsors; documentation review) and assess initial Change Readiness	P	A
Develop Change Management Road Map and supporting work plan –	P	A

Activities Description	Project Team Participation	
	Revere	PDC
including findings/recommendations for communications, sponsorship, training, integration/sustainability, ongoing change readiness/effectiveness		
Develop communication/messaging and branding plan	P	A
Execute communication/branding plan (monthly communication messaging, e-mail updates, baseline/updated presentation, staff meeting)	P	A
Form, kick-off and facilitate Communication/Change Agents (monthly)	P	A
Document future state work flows (limited to processes identified below)	P	A
Conduct role impact assessment	P	A
Develop value realization recommendations	P	A
Implementation of organizational and/or role changes (e.g., beyond training) – see note 1 below <ul style="list-style-type: none"> • Organization/Structure Alignment (Accounting/Back Office) • Identify new/updated job definitions • Execution support 	P	A

(note 1) This effort is contingent on the change management road map and future state process definitions
P = Primary, A= Assist, O = Out of Scope

Deliverables:

Deliverable Summary Description	Project Team Participation	
	Revere	PDC
Stakeholder Impact Assessment/Change Readiness Overview	P	A
Change Management Road Map – findings/recommendations <ul style="list-style-type: none"> • Communications • Sponsorship • Training • Change readiness/effectiveness • Integration/sustainability, 	P	A
Change Management work plan	P	A
Communications/branding plan	P	A
Monthly communications (monthly communication messaging, e-mail update, baseline/updated presentation, staff meeting) – (Jan-May)	P	A
Communication/Change Agent plan, formation, monthly facilitation (Feb – May)	P	A
High-Level Future State Work Flows – activity level detail (not task level) for the following processes: <ul style="list-style-type: none"> • Closing (month-end, year-end) • Daily balancing • Create a new project • Project data update • Mid-year budget revisions • Contract management • Loan disbursement • Booking of project time 	P	A
Role Impact Assessment (approach, findings, recommendations for updates to role definitions as needed)	P	A
Value Realization Recommendations (anticipated benefits from and ownership recommendations for work flow changes)	P	A
Organization/Structure Alignment Document	P	A
Job Definitions	P	A
Execution Support Summary	P	A

P = Primary, A= Assist, O = Out of Scope

Required Team Members and Responsibilities:

Team Member	Responsibilities / Duties
Revere Group Change Management Lead	Conduct all identified organization change management activities working with PDC stakeholders and Revere project team members
Revere Group Project Manager	Develop and distribute initial project “awareness” communications (e.g., project overview, timeline) and pre-training/rollout communications; participate in future state work flow documentation and impact assessment
Revere Group AC Lead	Participate in future state work flow documentation and impact assessment
PDC Project Manager	Develop and distribute initial project “awareness” communications (e.g., project overview, timeline); participate in future state work flow documentation and impact assessment
PDC Steering Committee Members	Participate in bi-weekly steering committee meetings and identified sponsorship activities. Identify and hold accountable Communication/Change Agents.
PDC Subject Matter Experts	Participate in interviews/information gathering, work flow documentation and impact assessment efforts. Serve as Communication/Change Agents (2-4 hours per month).

Additional Required Resources:

Additional Resources
Meeting Room for Change Management Strategy / Road Map kick-off workshop
Meeting Room for follow up employee meetings

Assumptions:

The following are the assumptions associated with this assessment:

- Organizational Change Management planning activities (e.g., Stakeholder Impact Assessment, Road Map) will begin in mid-December to ensure appropriate information/design in place
- PDC will identify Communication/Change Agents to help in monthly communication distribution, gathering of questions/concerns and to support training/rollout activities
- Revere Group Change Management Lead will have access to key stakeholders/subject matter experts for information gathering and input to key deliverables
- PDC is responsible for implementation of any identified changes to role definitions, organizational changes, etc. resulting from the work flow activities (e.g., future state documentation, impact assessment)

Task 3: Lawson Projects and Activities Module Re-Implementation / Build-Out

The focus of this phase is on preparing and implementing a detail Lawson activities structure based on the Financial System Consolidation Assessment and Lawson Project and Activity Accounting Reimplementation Design Recommendations.

Duration: 43 weeks

Project schedule details are contained in Appendix B.

Planned Activities:

Activities Description	Project Team Participation	
	Revere	PDC
Coordinate application design sessions	A	P
Conduct design sessions with individual business units: Accounting, Budgets, Loan Servicing, UDD, Professional Services, Sustainable Services, Real Estate	P	A
Confirm key design decision concerning Lawson AC configuration: <ul style="list-style-type: none"> • Number of activity groups 	P	A

Activities Description	Project Team Participation	
	Revere	PDC
<ul style="list-style-type: none"> Number and definition of levels per activity group Accounts and Account Categories Report alignment rules Alignment rules with key PDC systems: Loan System, Project Portfolio, BUDS, Property Management Other 		
Confirm key design decisions concerning Lawson Procurement: <ul style="list-style-type: none"> Requisition number PO Number RQ and PO module setup 	P	A
Confirm key decisions concerning system integration: <ul style="list-style-type: none"> Project numbers Integration with Project Portfolio application Integration with new Loan System 	P	A
Document reporting requirements identifying data sources, rules, execution and distribution methods.	P	A
Update Lawson configuration design document for all modules	P	A
Configure Lawson AC and Procurement modules based on new design	P	A
Develop CRP Test Plan	P	A
Develop CRP Scripts	P	A
Execute CRP Testing	A	P
Review CRP test results and update system configuration as needed	P	A
Document history conversion requirements	P	A
Finalize business requirements for interfaces between Lawson and Loan System	P	A
Develop Detail Design for interfaces between Lawson and other PDC systems	P	A
Develop and unit test interfaces	P	A
Develop Detail Design for history conversion process	P	A
Develop and Unit Test history conversion programs	P	A
Develop system test plan identifying system and data requirements	P	A
Develop system test scripts	P	A
Execute system test	A	P
Document business processes	A	P
Review system test results and update system configuration and interfaces as needed	P	A
Identify end user training requirements: audience, delivery and materials	A	P
Develop end-user training plan	P	A
Develop end-user training materials	P	A
Deliver end-user training according to plan	P	A
Develop go-live migration plan	P	A

P = Primary, A= Assist, O = Out of Scope

Deliverables:

Deliverable Summary Description	Project Team Participation	
	Revere	PDC
Meeting minutes	P	A
Lawson AC configuration design document	P	A
Lawson Procurement configuration design document	P	A
Lawson Financials configuration design document (if needed)	P	A

<u>Deliverable Summary</u> Description	<u>Project Team Participation</u>	
	Revere	PDC
CRP Test Plan	P	A
CRP Test Scripts / Scenarios	P	A
Interfaces Business Requirements document	P	A
Interfaces Technical Design document	P	A
Interface programs	P	A
Conversion Requirements document	P	A
Conversion Technical Design document	P	A
Conversion programs	P	A
Business Processes	P	A
Go-live migration plan	P	A

P = Primary, A= Assist, O = Out of Scope

Required Team Members and Responsibilities:

Team Member	Responsibilities / Duties
Financial Business Consultant	Conduct application design sessions, coordinate design review and approval, assist with business process flows, develop CRP test plan and scripts, assist with data mapping for conversions, develop integrated test plan and scripts, and go live cut over planning / execution.
Senior Technical Consultant	Perform data mapping exercise for conversions, generate conversion requirements document, generate conversion technical design documents, and prepare conversion programs.
PDC Subject Matter Experts	Participate in application design sessions and design reviews, assist with business process flows, execute CRP and integrated testing scripts, perform conversion file validations, and assist with go live cut over planning.

Additional Required Resources:

Additional Resources
Flip Chart and papers for note taking during brain storming sessions
Meeting Room for application design sessions
Meeting Room for conference room pilot
Meeting Room for system test
Access to a Lawson Development product line for conversion file development and testing
Access to a BUILD Product line to hold the application configuration
Access to a TEST Product line to hold the application configuration
Access to a DEV Product line to hold the application configuration

Task 4: Lawson Business Intelligence Implementation

The Lawson Business Intelligence (LBI) implementation will provide PDC with a baseline reporting solution for quick and easy access to pertinent data from their Lawson ERP System. The reporting functionality delivered will become a key asset for PDC to effectively manage their new business processes introduced as a result of the financial systems and consolidations initiative.

Revere understands PDC’s goal to preserve a “single version of the truth” with current and accurate data delivery. The Revere LBI team strongly believes they possess the necessary experience, knowledge, and proven methodology to “hit the ground running” and collaboratively accomplish PDC’s goals for LBI. The planned activities and deliverables are outlined below.

Under this task, LBI training will be provided as follows:

1. **Frame Work Services Training** (For LBI Administrators)
 - Half to full day to train

2. **Reporting Services Training** (For LBI Administrators and Power Users)
 - Four (4) days to train.
 - PDC technical staff and super users (estimated at 50 people) will learn how to publish reports in Reporting Services, Set up (this includes how to run reports) Reports once published, Set up Rights for filtering the data and learn other time-saving techniques concerning the set up of Reporting Services

3. **Smart Notification Training** (For LBI Administrators and other users that will be creating Smart Notification)
 - Three (3) days to train.
 - PDC technical staff will learn how to create data sources to the data, InfoSets to collect the data, Notification to format and send the data out.

4. **Scorecard Training** (For Administrators and Power Users)
 - Two (2) days to train.
 - Not all clients install Scorecard which allows them to build views on Analytical cubes (that must be built); PDC technical staff will be provided Scorecard training (cubes will have to be built for training).

5. **Dashboard Training** (For LBI Administrators and PowerDesigners)
 - One (1) day to train, depending on needs.
 - PDC technical staff will learn how to bring Reporting Services reports and Smart Notifications in on Dashboard for end user viewing. They will also learn other items that can be available on a Dashboard.

6. **Crystal Report Development Training**
 - Normally this class lasts around five days but for the first three days only PDC technical staff will learn Crystal functions. The other two days are spent connecting to the Lawson database and using Lawson Standard report as a data source and creating reports using actual data.
 - This training is targeted towards developers as they learn basic Crystal report writing, using a Lawson Standard report as a data source in Crystal (if everything is set up properly) and connecting to Lawson data.
 - Crystal training should be before Reporting Services training so any reports created in Crystal Training can be used in Reporting Services class

7. **Report Recipient Training**
 - This is normally an hour in duration.
 - The focus is on providing casual end users (estimated at 100 people) with training on the LBI dashboard for accessing their distributed reports as well as running on demand reports and other basic functions available in the dashboard.

Duration: 22 weeks

While the calculated duration of the LBI implementation is significantly shorter than the overall project timeline, the planned activities will actually be performed at the same time as similar activities are being performed for the other project tasks; thus the actual duration of the LBI implementation will be more in line with the overall project timeline.

Planned Activities:

Activities Description	Project Team Participation	
	Revere	PDC
Architect System Landscape	P	A
Technical Environment (Supporting Hardware, Software, Network) Setup	P	A

Activities Description	Project Team Participation	
	Revere	PDC
Perform Lawson Business Intelligence Installations for each Environment	P	A
Obtain Lawson Certification for LBI installs	P	
Facilitate Reporting Workshops	P	A
Frame Work Services Training	P	A
Reporting Services Training	P	A
Smart Notification Training	P	A
Scorecard Training	P	A
Dashboard Training	P	A
Crystal Report Development Training	P	A
Report Recipient Training	P	A
Document Reporting Requirements	P	A
Meet with Data Governance Committee	P	A
Review PDC's existing Master Data Management (MDM) methodology	P	
Facilitate Report Design/Requirements Sign-off	P	A
Develop Crystal Reports Data Sources	P	
Develop Crystal Reports	P	
Develop Report Schedules/Bursting	P	
Develop LBI Reports Portal	P	
Perform System Performance Testing	P	A
Perform Reporting Integration Testing	P	A
Perform Reporting User Acceptance Testing	P	A
Perform Reporting Training	P	A
Perform Production System Cutover / Build	P	A
Provide Go-live Stabilization and Production Support	P	A

P = Primary, A= Assist, O = Out of Scope

Deliverables:

Deliverable Summary Description	Project Team Participation	
	Revere	PDC
System/Landscape Architecture Diagrams and Documentation	P	A
Lawson Business Intelligence Development System/Environment	P	A
Lawson Business Intelligence Production System/Environment	P	A
Proof of Lawson Certification for LBI Systems	P	
Schedule and Agenda for Reporting Workshops	P	A
Reporting FDS/TDS Templates for Reporting Workshops	P	A
Thirty (30) Report FDS/TDS Definitions	P	A
Thirty (30) Crystal Report (.rpt) Documents	P	
System Performance Test Plan and Schedule	P	A
Reporting Integration Test Plan and Schedule	P	A
Reporting User Acceptance Test Plan and Schedule	P	A
Reporting User Training Documentation and Schedule	P	A
Data Stewardship Plan with recommended Updates to MDM Methodology	P	A
Perform Production System Cutover Plan and Schedule	P	A
Financial Data Warehouse Assessment Document	P	A
Report Manager Database Assessment Document	P	A
Framework Services, Smart Notifications, Scorecard and Dashboard Training	P	A
Reporting Services Training	P	A
Crystal Training	P	A

<u>Deliverable Summary</u> Description	<u>Project Team Participation</u>	
	Revere	PDC
Report Recipient Training	P	A

P = Primary, A= Assist, O = Out of Scope

Required Team Members and Responsibilities:

It should be noted that one team member may serve multiple roles on the project. For example, most Revere BI team members are able to fulfill both the Sr. BI-Reporting Consultant and Sr. Crystal Reports Developer roles on the project. Since the activities and deliverables for these roles will be performed at different times, it is likely a single team member will serve in both roles.

<u>Team Member</u>	<u>Responsibilities / Duties</u>
Business Intelligence Lead	Manage all aspects of the LBI implementation; assist project manager with weekly LBI status updates and assist with communication plan, risk management plan, and quality management plan; deliver financial data warehouse assessment; deliver report manager database assessment; organize and facilitate reporting workshops; Help finalize the completion of the thirty (30) report functional design specification / technical design specification (FDS/TDS) documents; facilitate report FDS/TDS sign-offs from PDC stakeholder(s); facilitate key functional and technical design decisions (KDD's) throughout the project
Certified LBI Technical Architect	Architect system landscapes for all environments; perform LBI installations; obtain Lawson certification of installs; perform Crystal Reports Designer installs; manage software licenses; migrate report content from legacy LBI system (if required); perform system performance testing; perform system cutovers; provide go-live support; create and maintain deliverable documents
LBI Developer	Design FDS/TDS templates; document requirements during workshops; create thirty (30) report FDS/TDS documents using template; provide go-live support; create and maintain deliverable documents. Develop crystal reports data sources using Lawson (.prt) reports, queries (via DME Command), and direct connections to the underlying SQL tables; develop reports via Crystal Report Designer; develop report schedules and bursting definitions; perform system performance testing; perform system cutovers; provide go-live support; create and maintain deliverable documents. Create and deliver reporting integration testing; create and deliver reporting user acceptance testing; obtain sign-offs from PDC participants; provide go-live support; create and maintain deliverable documents. Create and deliver reporting user training; provide go-live support; create and maintain deliverable documents
PDC Subject Matter Experts for Reporting Requirements	Participate in the reporting workshops, provide requirements for thirty (30) reports; sign-off on reporting requirements; provide support throughout report development effort; provide functional and technical support for evaluating the Financial Data Warehouse and Report Manager Database; participate in system performance testing; sign-off on performance testing; participate in user acceptance testing cycles; sign-off on UAT testing; participate in reporting end user training;

Additional Required Resources:

Additional Resources
Meeting Room for Report Workshops
Meeting Room for weekly LBI status meetings
Access to the Financial Data Warehouse for evaluation
Access to the Report Manager Database for evaluation

Assumptions

- Crystal Reports Designer 2008 desktop software – the assumption is that the latest version and support pack of Crystal Reports Designer will be installed for the project. If PDC requires an earlier version of Crystal Reports, the estimates provided will not be impacted, however the version must be supported on the Lawson Business Intelligence platform to be installed. Revere will be responsible for installing the Crystal Reports Designer 2008 software and support packs on the Lawson Business Intelligence Servers and project team laptops and desktops; PDC will be responsible for installing the software and support packs on the 10 - 12 report developer desktops across PDC.
- Number of Reports and Report Complexity – the estimates provided by Revere are based on the assumption that thirty (30) reports will be delivered using Crystal Reports and of the reports delivered, five (5) will be highly complex involving multiple data sources (building a data mart may be required to generate the reports), ten (10) will be of high complexity, 10 of moderate complexity, and 5 of low complexity. Reports of high complexity are defined as reports containing several aspects of a reporting system, including multiple data sources, complex data relationships, sub-reports, multiple report components, data level security, calculations, and complex formatting and distribution requirements. Reports of moderate complexity are defined as reports with 2-3 aspects of a report system as defined above. Reports of low complexity are defined as reports with minimal or no aspects of report system and are thus very simple to deliver.
- Report Data Sources – the estimates provided by Revere are based on the assumption that all twenty five (25) reports delivered will source data exclusively from PDC’s Lawson ERP system. Five reports will be generated based on multiple data sources and may require the building of a data mart. In the case of the 25 reports, this assumes data will be sourced from the modules currently in use and from the new modules being implemented.
- Report Security, Report Distribution, and Report Bursting to the Reporting Portal – the estimates provided by Revere are based on the assumption that all thirty (30) reports delivered will be scheduled nightly and distributed to the Reporting Portal. All +150 end users will access reports via the Reporting Portal. The estimates also assume report security will be handled at the report level – individual end users or user groups will be granted access to individual reports. If data level security is required, a report bursting definition will be setup. This assumes that the field used for bursting is available in the report(s) requiring data level security and report bursting.
- Data Stewardship Plan – the estimates provided by Revere assumes that PDC has a Master Data Management (MDM) methodology and data governance oversight committee. Revere will provide recommendations for extending the framework and oversight for Lawson and LBI master data.
- Financial Data Warehouse Evaluation – the estimates provided by Revere assumes the only deliverable for the activity “Review Financial Data Warehouse need and discuss potential elimination” is an assessment document that includes recommendations such as the approach for potential eliminating the Financial Data Warehouse with the implementation of LBI.
- Report Manager Database Evaluation – the estimates provided by Revere assumes the only deliverable for the activity “Review Report Manager Database need and discuss potential elimination” is an assessment document that includes recommendations such as the approach for potential eliminating the Report Manager Database with the implementation of LBI.

Task 5: Lawson Interfaces

The focus of this phase is on defining, developing and implementing outbound Lawson interfaces and to assist with the development of inbound interface requirements as well as year-end balance conversions. Revere will utilize the following software development life cycle for this project:

- Requirements Gathering & Analysis: This phase is focused on data mapping between Lawson applications and the receiving / sending systems. During this phase, we define interface frequency, data field definitions,

data validation rules and level of automation. This also includes selection of the “appropriate” development tool considering ease of use, maintainability and server operating impact.

- **Design:** During this phase we focus on definition of the program logic for the new interfaces.
- **Coding / Development:** During this phase we develop the interface programs in accordance with the Technical design document.
- **Testing:** This phase involves two types of testing: unit testing and integration testing.

Duration: 18 weeks

Project schedule details are contained in Appendix B.

Planned Activities:

Activities Description	Project Team Participation	
	Revere	PDC
Define interface requirements	P	A
Lawson ERP – to – Loan Management and Project Portfolio applications data mapping	P	A
Data transmission frequency to Loan Management and Project Portfolio applications	P	A
Loan Management – to – Lawson ERP application data mapping	P	A
Prepare technical design documents	P	A
Lawson AP to Loan Management Application (Vendor Numbers)	P	A
Lawson AP to Loan Management Application (Payments)	P	A
Lawson AC to Loan Management Application (Activity)	P	A
Lawson AC to Loan Management Application (Activity Attributes)	P	A
Develop interface programs per the technical design document	P	A
Lawson AP to Loan Management Application (Vendor Numbers)*	P	A
Lawson AP to Loan Management Application (Payments)*	P	A
Lawson AC to Loan Management Application (Activity)*	P	A
Lawson AC to Loan Management Application (Activity Attributes)*	P	A
Unit test each interface program	P	A
Lawson AP to Loan Management Application (Vendor Numbers)*	P	A
Lawson AP to Loan Management Application (Payments)*	P	A
Lawson AC to Loan Management Application (Activity)*	P	A
Lawson AC to Loan Management Application (Activity Attributes)*	P	A
Provide system integration testing support	P	A
Prepare detail interface technical documentation (operational documentation and specifications)	P	A
Migrate interface programs to production	P	A
Lawson AP to Loan Management Application (Vendor Numbers)*	P	A
Lawson AP to Loan Management Application (Payments)*	P	A
Lawson AC to Loan Management Application (Activity)*	P	A
Lawson AC to Loan Management Application (Activity Attributes)*	P	A
Assist with Interface Readiness Assessment	A	P
Provide Go Live support	P	A

P = Primary, A= Assist, O = Out of Scope

* Two (2) daily batch interfaces

Deliverables:

Deliverable Summary Description	Project Team Participation	
	Revere	PDC
Interface requirements document	P	A
Interface technical design documents	P	A
Detail Interface technical documents	P	A

<u>Deliverable Summary</u> Description	<u>Project Team Participation</u>	
	Revere	PDC
System Integration Test Scripts	P	A

P = Primary, A= Assist, O = Out of Scope

Required Team Members and Responsibilities:

Team Member	Responsibilities / Duties
Financial Business Consultant	Provide functional expertise to support interface requirements. Assists with interface testing and validation activities.
Senior Technical Consultant	Gather interface requirements, manage interface design activities, prepare technical design documents, develop identified interfaces, perform unit testing of the interfaces, prepare technical interface documentation, support integrated testing and assist with migration of interfaces to production.
PDC Subject Matter Experts	Participate in interface requirements gathering meetings, review and approve interface technical design documents, and assist with interface testing.

Additional Required Resources:

Additional Resources
Access to Project Portfolio System technical and functional resources
Access to Loan Management System technical and functional resources
Access to a Lawson Development product line for interface development and testing

Task 6: Training

The focus of this phase is on preparing and conducting training of the project team members and executive team members as well as the end users. The training will focus on Lawson application functionality as it integrates / supports the new business processes at PDC. Our training process typically includes the phases:

- **Analyze** PDC's needs and identify training goals which, when reached, will equip learner's with knowledge and skills to meet the organization's needs. Usually this phase also includes identifying when training should occur and who should attend as learners.
- **Design** a training system that learners and trainers can implement to meet the learning goals; typically includes identifying learning objectives (which culminate in reaching the learning goals), needed facilities, course content, lessons and sequence of lessons.
- **Develop** a training "package" of resources and materials, including, e.g., developing graphics, manuals, etc.
- **Implement** the training package, including delivering the training, learner feedback, clarifying training materials, administering tests and conducting the final evaluation. This phase can include administrative activities, such as copying, scheduling facilities, taking attendance data, etc.
- **Evaluate** training, including before, during and after implementation of training.

Duration: 7 weeks

Project schedule details are contained in Appendix B.

Planned Activities:

Activities Description	Project Team Participation	
	Revere	PDC
Develop training strategy with input from Change Management Consultant	P	A
Develop training effectiveness measurement tool	P	A
Develop core team training materials	P	A
Schedule dates and locations for core team training	A	P
Set up training environments – data, classroom, etc.	P	A
Conduct core team knowledge transfer	P	A
Obtain and review core team feedback	P	A
Executive Team Training	P	A

Activities Description	Project Team Participation	
	Revere	PDC
Develop training materials	P	A
New business processes & workflows	P	A
Lawson system functionality	P	A
Set up training environments – data, classroom, etc.	P	A
Schedule dates and locations for executive team training	A	P
Perform executive team training	P	A
End User Training Preparation	P	A
Identify personnel – end users and trainers	A	P
Define training requirements	P	A
Schedule dates and locations for end user training	A	P
Develop end-user training tools	P	A
Develop training materials	P	A
New business processes & workflows	P	A
Lawson system functionality	P	A
Set up training environments – data, classroom, etc.	P	A
Perform end user training	P	A
Assess End User Training	P	A
Obtain and review end user feedback	P	A
Measure end user skills	p	A

P = Primary, A= Assist, O = Out of Scope

Deliverable Summary Description	Project Team Participation	
	Revere	PDC
Training Strategy	P	A
Detail Training Plan	P	A
Training Effectiveness Measurement Tool	P	A
Core Team Training Materials	P	A
Executive Team Training Materials	P	A
End User Training Materials	P	A
Training Schedules (Core Team, Executive, and End User)	A	P

P = Primary, A= Assist, O = Out of Scope

Required Team Members and Responsibilities:

Team Member	Responsibilities / Duties
Revere Project Manager	Manage the training preparation and delivery. Guides the development of the training strategy and detail training plan. Acts as a reviewer / editor of generated training materials/
Revere Quality Manager	Provide input into the training strategy and detailed training plan.
Financial Business Consultant	Primary contributor / author of the training materials for the core team training, executive team training and end user training. Acts as primary instructor.
Change Management Consultant	Provide input on the training strategy.
Senior Technical Consultant	Assist / coordinate the availability of a training environment with appropriate data.
PDC Project Manager	Assist with the development of the training strategy, training plan and scheduling of the training sessions.
PDC Steering Committee Members	Participate in executive team training sessions.
PDC Subject Matter Experts	Assist with the preparation of the training materials; participate in core team training, assist with end user training sessions.

Additional Required Resources:

Additional Resources
Flip Chart and papers for note taking during training sessions
Lawson Test system IDs for students
Lawson system access for core team and end user training sessions
Meeting Room for Core Team training sessions
Meeting Room for Executive Team training sessions
Meeting Room for End User training sessions

**EXHIBIT D to the PERSONAL SERVICES CONTRACT for
Financial Systems Consolidation and
Lawson Projects and Activities Module Implementation**

FINANCIAL SYSTEM CONSOLIDATION ASSESSMENT – CONSOLIDATED CURRENT STATE ANALYSIS

**EXHIBIT D to the PERSONAL SERVICES CONTRACT for
Financial Systems Consolidation and
Lawson Projects and Activities Module Implementation**

PDC

PORTLAND DEVELOPMENT COMMISSION

***Financial System Consolidation Assessment
Consolidated Current State Analysis***



THE REVERE
GROUP
an NTT Data Company

July 2, 2010

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2.6	Have budget management at right level including the ability sometimes to book actual at a lower level than budgets or move budgets lower.	21
2.7	Areas of budgets are not always fleshed out down to the level needed for reporting. It's good to have high level budgeting in many cases, but so many people still have separate Excel sheets called "Translators" that provide the detail. Since Lawson can do this, it would be good to move more quickly towards this (and phase out the Translators).	22
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2.9	Lack Project definitions especially for business and industry team initiatives, who work more programmatically.	25
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2.12	PDC can't get reliable reports on what's in pipeline overall - what's committed, approved, encumbered, and spent. All of these matter, not only for Projects but also for Programs.	28

2.13	Can't report now on an RQ commitment in AC vs. PO to get a Budget to RQ to Actual Report. Although requisitions at this point are fairly narrow, as these are expanded out to all contracts (which they should be), this will get more important. _____	29
2.14	It would be good to be able to see Lawson AC financial data come through the link to Project Portfolio. There is a link now, but only to the code itself. _____	30
2.15	We would like to see a dashboard report from Lawson that distributes reports automatically and gives budgets to actual _____	31
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2.17	Systems are not properly integrated and duplicate data input occurs sometimes. _____	32
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2.21	Managers in UDD are not always requiring people to use ACT! and Project Portfolio consistently and to update promptly - inconsistency results in incomplete input and therefore output _____	35
2.22	Only Tier 1 projects in UDD are required to submit a monthly project status report from Project Portfolio right now - so lack consistent quantities of/timeliness of information across the projects in Project Portfolio _____	36
2.23	Not always adding a UDD project to Project Portfolio right when it's first known - no business rules or consistency for this yet. Things in silos _____	36
2.24	UDD staff will say Project Portfolio is great for tracking but does not help with their job and getting tasks done. _____	37
2.25	Staff has indicated that they are sometimes not sure if an activity belongs in ACT! or Project Portfolio. _____	37
2.26	UDD business rules keep changing and evolving - and there is a lack of business rules right now such as to require data go into systems consistently and timely. _____	37
2.27	We would like to see a dashboard report from Lawson that distributes reports automatically and gives budget to actual with ease _____	38
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2.34	Loan pipeline information is not integrated with up to date available fund/program balances _____	43
2.35	Future dated commitment amounts are not properly reported _____	43
2.36	Need to track, via spreadsheets, Storefront by Client Business, by fiscal year, by disbursed, undisbursed and committed by service contract. Currently cannot do this in Lawson since we lack daily interfaces and current detail information in Lawson without integration to other systems such as the ACT! pipeline. _____	44
2.37	Challenging to create a budget because every year procedures and systems change just as getting used to it. _____	44
2.38	Lack of business rules regarding contracts that cross fiscal years for budgeting, encumbrances and how to appropriate and identify leftover encumbrances to be considered for future year appropriations _____	45
2.39	Cannot see encumbrances in the future year(s) and system not automatically moving encumbrances from year to year _____	45
2.40	Many instances where we have to enter the same data into many different systems and or spreadsheets _____	45
2.41	Hard to get data into Mitas because of the approvals required in Mitas. _____	46
2.42	Lack of comprehensive system for reporting _____	46
2.43	Lawson AC is not currently set to book debit and credit entries – instead it’s simply tracking “commitments” which lack historical transactional reporting ability _____	46
2.44	Changes to Lawson can and do result in problems in the financial data warehouse – so any changes will need to consider this _____	47
2.45	Up to date current cash and budget balances are not available from current systems _____	47
2.46	Comprehensive project management financial reporting is not available from current systems and configurations _____	47
2.47	Proper recording of encumbrances by year needs coordination of business processes between budgets, operations and Accounting _____	48
2.48	Detail financial reporting is lacking in Real Estate because they are in Excel. _____	48
2.49	Not using Allocations from either AC Allocations or CA Allocations when possible if statistics and other data were brought into Lawson _____	48
2.50	Need daily interfaces to Lawson to track cash, budget, pipeline, encumbrances, commitments. _____	49
2.51	Need to make sure budgeting is properly available downstream to Accounting. _____	49
2.52	Capitalization of property is a manual process and the allocation of costs to consistent property ID’s (linkage to what is in the real-estate data base). _____	50
2.53	Timing of encumbrances (current year vs. future years) is not available through system reporting which can result in over-borrowing _____	51
2.54	Can’t tell when encumbrance will be expended – need to know which fiscal year the encumbrance is for _____	51
2.55	Accounts Receivable (AR) not always captured and/or available through systems reports in manner that facilitates tracking and collections by PDC _____	52

2.56	Lack of consistency for Project Numbers between Project Portfolio and BuDs/Lawson AC 52	
2.57	Double Maintenance – any new coding block setup in BuDS or Lawson must be keyed into both systems for the BuDs to Lawson interface to load without error. This includes adding a fund, program, project, etc. _____	53
2.58	Mitas is not updated to Lawson promptly enough _____	53
2.59	BuDS keeps some detail at a lower level than Lawson, i.e.: Travel might be broken down deeper in BuDS and rolled into a higher level in Lawson’s budget. _____	53
2.60	Property management information is not available to staff outside of Real Estate Management _____	54
2.61	Tenant Accounts Receivable information is not available _____	55
2.62	Detail revenue and expense information by property is not available _____	56
2.63	Mitas application will require significant modifications to accommodate full integration with Lawson _____	57
2.64	Splitting of Housing to PHB _____	58
2.65	Creation of PDC Annual Performance Reports require a great deal of manual manipulation of data. _____	58
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REVISION CONTROL

Version Number	Brief Description of Change	Author(s)	Date of Issue
DRAFT 1	Initial Document	Rick Powers Jim Chen Mark Silva Andy Woodward	June 10, 2010
DRAFT 2	Updated based on feedback provided by Jane Kingston on 6/29/2010	Rick Powers	June 29, 2010
FINAL	Final Document for Approval – Updated based on Meeting with Jane Kingston & John Cronise on 6/30/2010	Rick Powers	July 2, 2010

1 Introduction

1.1 Purpose

The purpose of this document is to provide PDC with a current view of those applications, processes, reports, databases, interfaces or functions related to the Financial System Consolidation Assessment (FSCA) that either cause the organization pain (Pain Points) or have room for improvement (Wish List). These Current State Analysis documents will be the basis for the issues The Revere Group will attempt to resolve during the Future State Phase of the project.

1.2 Executive Summary

Reference #	Pain Point/Wish List Item	To be Address in FSCA and FSC (Y/N)
2.1	Project Portfolio does not currently link to Lawson GL/AC for any financial links/reporting	Y
2.2	Projects are sometimes kept at a high level in Lawson but then broken into more detail after the fact, instead of putting information into Lawson according to output needed.	Y
2.3	Project Managers would like to track budget information at a lower level than Budget is required to track a budget for a specific program or project	Y
2.4	AC is setup without any real depth to projects right now - can better use levels to roll more than one project into a summary project when needed	Y
2.5	Sometimes there is a need to setup projects for actual at a lower level of detail than the budget goes in and still get budget edits as a result	Y
2.6	Have budget management at right level including the ability sometimes to book actual at a lower level than budgets or move budgets lower.	Y
2.7	Areas of budgets are not always fleshed out down to the level needed for reporting. It's good to have high level budgeting in many cases, but so many people still have separate Excel sheets called "Translators" that provide the detail. Since Lawson can do this, it would be good to move more quickly towards this (and phase out the Translators).	Y

Reference #	Pain Point/Wish List Item	To be Address in FSCA and FSC (Y/N)
2.8	Need Project Portfolio and AC to align to allow Lawson AC to report on all projects setup in Project Portfolio where financial reporting is required.	Y
2.9	Lack Project definitions especially for business and industry team initiatives, who work more programmatically.	Y
2.10	Project Code is a source of confusion right now since sometimes it's a project, sometimes it's a program, fund, etc.	Y
2.11	The way Accounting describes a Project seems to differ from the way project management standards (and UDD) define a Project. If this is having ramifications on the system, we need to align the terminology. I understand accounting to be referring to a code.	Y
2.12	PDC can't get reliable reports on what's in pipeline overall - what's committed, approved, encumbered, and spent. All of these matter, not only for Projects but also for Programs.	Y
2.13	Can't report now on an RQ commitment in AC vs. PO to get a Budget to RQ to Actual Report. Although requisitions at this point are fairly narrow, as these are expanded out to all contracts (which they should be), this will get more important.	Y
2.14	It would be good to be able to see Lawson AC financial data come through the link to Project Portfolio. There is a link now, but only to the code itself.	Y
2.15	We would like to see a dashboard report from Lawson that distributes reports automatically and gives budgets to actual	Report – Y Dashboard -N
2.16	Sometimes an activity is overly restrictive on which program area categories it will allow. Many projects touch multiples, like plans and strategies (392) for revitalization, along with infrastructure (400s), and maybe even (200s).	Y
2.17	Systems are not properly integrated and duplicate data input occurs sometimes.	Y

Reference #	Pain Point/Wish List Item	To be Address in FSCA and FSC (Y/N)
2.18	Lawson FB/GL and AC Budgets are not designed to link together the way PDC requires it. Work arounds exist by linking via user fields and maintaining two separate budgets.	N
2.19	General Fund - need to be very specific about these funds	Y
2.20	Some project work is unfunded and as a result must either utilize the General Fund or gets attached to a another fund after the fact - so difficult to budget for these	Y
2.21	Managers in UDD are not always requiring people to use ACT! and Project Portfolio consistently and to update promptly - inconsistency results in incomplete input and therefore output	Y
2.22	Only Tier 1 projects in UDD are required to submit a monthly project status report from Project Portfolio right now - so lack consistent quantities of/timeliness of information across the projects in Project Portfolio	Y
2.23	Not always adding a UDD project to Project Portfolio right when it's first known - no business rules or consistency for this yet. Things in silos	Y
2.24	UDD staff will say Project Portfolio is great for tracking but does not help with their job and getting tasks done.	Y
2.25	Staff has indicated that they are sometimes not sure if an activity belongs in ACT! or Project Portfolio.	Y
2.26	UDD business rules keep changing and evolving - and there is a lack of business rules right now such as to require data go into systems consistently and timely.	Y
2.27	We would like to see a dashboard report from Lawson that distributes reports automatically and gives budget to actual with ease	Report – Y Dashboard -N
2.28	Put proposed and amended budgets in as early as created but before approved so you can see the budget in Lawson before it is approved to know what's coming	Y
2.29	Architectural Issues – Multiple databases that could be eliminated.	Y

Reference #	Pain Point/Wish List Item	To be Address in FSCA and FSC (Y/N)
2.30	Duplicate contact records are created in ACT! if a prospective borrower is eligible to different types of loans	N
2.31	Real time (daily) status of fund budgets balances is not available in ACT!	N
2.32	Lack of consistent business rules and compliance for data entry of contact and loan information in ACT!/Mitas	Y
2.33	Difficulty in accessing supporting documentation	Y
2.34	Loan pipeline information is not integrated with up to date available fund/program balances	Y
2.35	Future dated commitment amounts are not properly reported	Y
2.36	Need to track, via spreadsheets, Storefront by Client Business, by fiscal year, by disbursed, undisbursed and committed by service contract. Currently cannot do this in Lawson since we lack daily interfaces and current detail information in Lawson without integration to other systems such as the ACT! pipeline.	Y
2.37	Challenging to create a budget because every year procedures and systems change just as getting used to it.	Y
2.38	Lack of business rules regarding contracts that cross fiscal years for budgeting, encumbrances and how to appropriate and identify leftover encumbrances to be considered for future year appropriations	Y
2.39	Cannot see encumbrances in the future year(s) and system not automatically moving encumbrances from year to year	Y
2.40	Many instances where we have to enter the same data into many different systems and or spreadsheets	Y
2.41	Hard to get data into Mitas because of the approvals required in Mitas.	Y
2.42	Lack of comprehensive system for reporting	Y
2.43	Lawson AC is not currently set to book debit and credit entries – instead it’s simply tracking “commitments” which lack historical transactional reporting ability	Y

Reference #	Pain Point/Wish List Item	To be Address in FSCA and FSC (Y/N)
2.44	Changes to Lawson can and do result in problems in the financial data warehouse – so any changes will need to consider this	Y
2.45	Up to date current cash and budget balances are not available from current systems	Y
2.46	Comprehensive project management financial reporting is not available from current systems and configurations	Y
2.47	Proper recording of encumbrances by year needs coordination of business processes between budgets, operations and Accounting	Y
2.48	Detail financial reporting is lacking in Real Estate because they are in Excel.	Y
2.49	Not using Allocations from either AC Allocations or CA Allocations when possible if statistics and other data were brought into Lawson	Y
2.50	Need daily interfaces to Lawson to track cash, budget, pipeline, encumbrances, commitments.	Y
2.51	Need to make sure budgeting is properly available downstream to Accounting.	Y
2.52	Capitalization of property is a manual process and the allocation of costs to consistent property ID's (linkage to what is in the real-estate data base).	Y
2.53	Timing of encumbrances (current year vs. future years) is not available through system reporting which can result in over-borrowing	Y
2.54	Can't tell when encumbrance will be expended – need to know which fiscal year the encumbrance is for	Y
2.55	Accounts Receivable (AR) not always captured and/or available through systems reports in manner that facilitates tracking and collections by PDC	Y
2.56	Lack of consistency for Project Numbers between Project Portfolio and BuDs/Lawson AC	Y

Reference #	Pain Point/Wish List Item	To be Address in FSCA and FSC (Y/N)
2.57	Double Maintenance – any new coding block setup in BuDS or Lawson must be keyed into both systems for the BuDs to Lawson interface to load without error. This includes adding a fund, program, project, etc.	Y
2.58	Mitas is not updated to Lawson promptly enough	Y
2.59	BuDS keeps some detail at a lower level than Lawson, i.e.: Travel might be broken down deeper in BuDS and rolled into a higher level in Lawson’s budget.	Y
2.60	Property management information is not available to staff outside of Real Estate Management	Y
2.61	Tenant Accounts Receivable information is not available	Y
2.62	Detail revenue and expense information by property is not available	Y
2.63	Mitas application will require significant modifications to accommodate full integration with Lawson	Y
2.64	Splitting of Housing to PHB	Y
2.65	Creation of PDC Annual Performance Reports requires a great deal of manual manipulation of data.	Y
2.66	Information in ACT does not properly align with Mitas.	Y
2.67	Unable to perform deeper analysis on loans due to the lack of an integrated system	Y

1.3 How the content of this document was developed

The contents of this document were developed through the following:

1. Interviews with PDC Staff Including
 - a. Bill Blauvelt
 - b. Jane Kingston
 - c. Faye Brown
 - d. Tony Barnes
 - e. George Cornett
 - f. Larry Beckett
 - g. Paula Edwards
 - h. Linda Andrews
 - i. Lois Cortell
 - j. Betsy Chase
 - k. Kate Staples
 - l. Fred Atiemo
 - m. Terri Morgan
 - n. Sierra Gardiner
 - o. Nixie Stark
 - p. Becki Marsh
 - q. Amy Fleck-Rosete
 - r. John Matschiner
 - s. Ember Breckenridge
 - t. Kristy Branson
 - u. Alfred Bookman
 - v. Sharon Meross
2. Meetings with Jane Kingston
3. Meetings with Bill Blauvelt
4. Meeting with Faye Brown, Tony Barnes and George Cornett
5. Email questionnaire filled out by Faye and Tony
6. Meeting with Linda Andrews
7. Demonstration of BuDS by Larry Beckett and Paula Edwards
8. Review of Lawson current setups including budget compare BuDS to Lawson (GL293)
9. Lawson Business Process Redesign document review meetings with Accounting.
10. Reviews of current documentation provided by PDC
11. Reviews of systems associated with each business process
12. Reviews of databases and reports associated with each business process
13. Demonstration of Project Portfolio application by Lois Cortell

2 Pain Points/Wish List

2.1 Project Portfolio does not currently link to Lawson GL/AC for any financial links/reporting

2.1.1 Description of Process

PDC currently lacks the ability to align the project financial reports in Lawson to Project Portfolio. The current system of record for financials is Lawson GL and AC. A lack of a one to one project relationship alignment between Lawson and Project Portfolio is preventing financials from Lawson to link with Project Portfolio.

2.1.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Linking Lawson to Project Portfolio would require an alignment of the projects in Lawson AC and Project Portfolio. Lawson could then feed both budget and actual project information to Project Portfolio. There is currently a link from Lawson AC to Project Portfolio – but the associated fields are not required and in most cases a one to one relationship between Project Portfolio and Lawson AC and BuDS does not exist. There are cases where Lawson AC may have one project setup to correspond with multiple projects setup in Project Portfolio. As a result, financial reports that correspond with Project Portfolio are not available at the more detailed Project Portfolio level.

2.1.3 Dependencies

In order to meet the requirement of having budget to actual reports in Lawson AC that correspond to Project Portfolio, it will be necessary to align the projects in both systems. Once alignment occurs, budget and actual can be reported from Lawson AC as the system of financial record for Project Portfolio projects. If the new alignment scheme makes history too difficult to map, a plan for historical information will also need to be developed as part of the setup for such an alignment.

2.2 Projects are sometimes kept at a high level in Lawson but then broken into more detail after the fact, instead of putting information into Lawson according to output needed.

2.2.1 Description of Process

The current Lawson AC structure does not fully support the depth required by UDD projects to prevent side budget tracker spreadsheets. As a result, users sometimes break down an activity (Project) into more detail outside of Lawson AC on spreadsheets or by some other means. This action causes reconciliation issues.

2.2.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

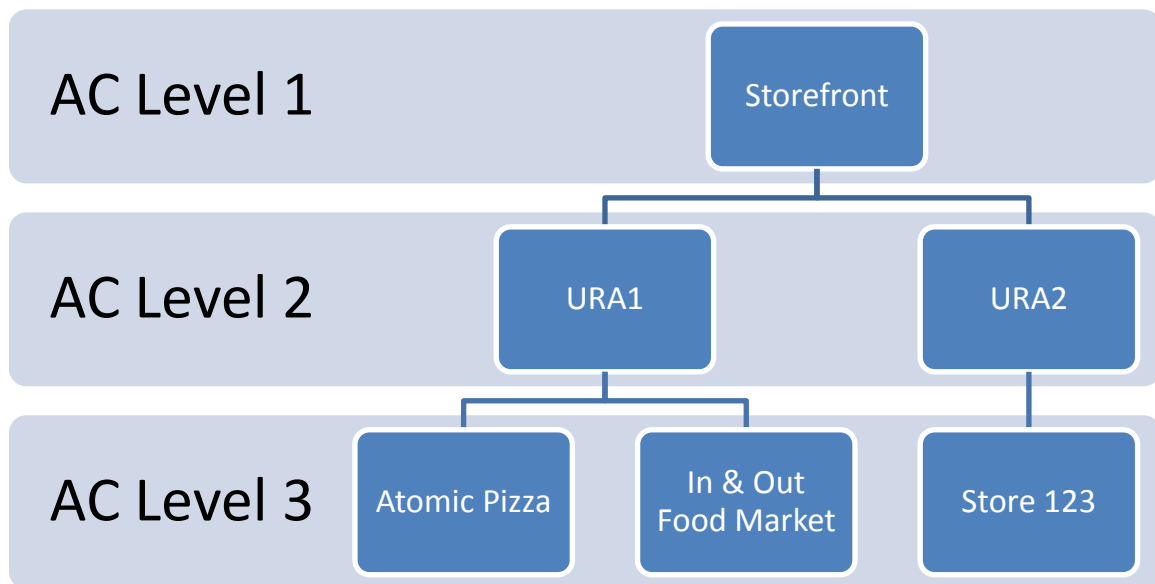
Lawson provides a five-level-deep activity structure for rolling up detail activities into a higher summary activity level. This five-level structure provides the ability to break down detail posting activities at time of entry, and then rolls the detailed activity transactions into summary activities at a higher level. Currently, most projects that require more detail are being broken down after the fact via Excel when this function could be consolidated into the Lawson AC structure. . As the future state is developed for AC, a business process will need to be developed to determine when an activity warrants such breakdowns. This new business process will also need to outline the required consistency between BuDS, Lawson AC, loan system, Project Portfolio and any other system that might utilize Lawson AC. Alignment with business information in ACT! is also essential.

2.3 Project Managers would like to track budget information at a lower level than Budget is required to track a budget for a specific program or project

2.3.1 Description of Process

In some cases, budgets are created by the Budget team at an aggregate level but a project manager may need to bring that budget deeper in the structure to manage at a lower level budget to actual. For example (see 2.3.2 below), currently the official budget is created at the Level 1 “Storefront”. Storefront Coordinators sometimes need to track the actual and budget information associated with this program at a lower level of detail. In this example, there might be a desire to keep the budget at the Storefront level 1 and record actual at level 3 posting. This would allow actual to roll up to the URA it belongs to and roll-up to Storefront where budget resides for the same consolidated report. In other cases, a Storefront Coordinator might need both budget and actual recorded at a lower level. Currently, all actual amounts are recorded at the same level as the budget, to one posting activity for “Storefront”. As a result, side spreadsheets are required to break this data out in Excel. The laborious step of breaking data out further using Excel outside of the Lawson AC structure is an example of how using Lawson to record in more detail could prevent the need to use Excel side spreadsheets. Budgets can be recorded in Lawson AC at a lower level similar to how they are being recorded at a lower level in Excel currently to get that data from Lawson AC instead of the Excel side sheets.

2.3.2 Visual Mapping of Process (Technical Design) (Diagram)



2.3.3 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Lawson provides a five-level-deep activity structure for rolling up detail activities into summary activities above. This five-level structure is available to break down detail posting activities at time of entry and roll them into summary levels above.

2.3.4 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Currently, budgets are created at a certain level. Some projects may need to have actual entries be recorded at a lower level than the budget or have the budget at a lower level as well to accommodate the more detailed AC structure. If budget amounts remain at a higher level, the ability to do budget edits can be compromised since the budgets are loaded at the posting activity level and roll up into the summary structure. Budget edits cannot be set at a summary activity level since edits can only be set at the activity posting level. For General Ledger, edits are more flexible and can be setup using FB11 to provide edits at a higher level when desired. When edits are needed outside of these system limitations then users would need to compare available budgets on reports/analysis in lieu of a budget edit. To budget deeper, an agreement on the business process for budgeting at different levels would need to be reached between Budget, UDD, and Accounting.

2.3.5 Dependencies

Dependencies exist between BuDS, Lawson, ACT!, Mitas, and Project Portfolio to align systems for reporting and to have the same structure in each system. For example, if BuDS tracks budgets at a higher level than Lawson a difference would exist. The ability to align the budget and actual amounts between BuDs, Lawson AC and Project Portfolio will help make it possible to provide financials from Lawson AC that correspond to projects in Project Portfolio. Further aligning all systems such as Mitas, ACT!, etc. will enhance the ability to include pre-encumbrances and encumbrances in that reporting from Lawson AC for Project Portfolio. Integration between Lawson Servicing would help prevent duplicate entries.

2.4 AC is setup without any real depth to projects right now - can better use levels to roll more than one project into a summary project when needed

2.4.1 Description of Process

See answer to 2.3 above – same answer.

2.5 Sometimes there is a need to setup projects for actual at a lower level of detail than the budget goes in and still get budget edits as a result

2.5.1 Description of Process

See answer to 2.3 above – same answer.

2.6 Have budget management at right level including the ability sometimes to book actual at a lower level than budgets or move budgets lower.

2.6.1 Description of Process

See answer to 2.3 above – same answer.

2.7 Areas of budgets are not always fleshed out down to the level needed for reporting. It's good to have high level budgeting in many cases, but so many people still have separate Excel sheets called "Translators" that provide the detail. Since Lawson can do this, it would be good to move more quickly towards this (and phase out the Translators).

2.7.1 Description of Process

This pain point is similar to 2.3 above. Currently, a lack of depth in the AC structure is resulting in the current practice to use a "Translator" to document what could have been detailed in AC with a deeper structure.

2.7.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Translators exist in some cases because budgets are not currently entered at a lower level in Lawson AC. In this case, Budget would need to agree to go to a lower level. The other option is to still record at a lower level in Lawson AC and populate a separate budget from what Budget is producing, so the translator could be eliminated by using Lawson AC. By developing a Lawson AC structure with a greater level of detail for tracking actual expenditures, the impact on the data entry into RQ/PO/AP/GL/AM, would need to be considered. This would be done on a project by project basis according to the policy created to decide when a project warrants a more detailed setup in Lawson AC. Budget tracker sheets are currently be gathered to help determine which current projects might justify a deeper structure in Lawson AC to help prevent the need for the budget tracker. The field size limits information that can be included. Implementation of document imaging in Lawson will help with this since visibility of source documents would be available more readily as a result. This remains a difficult issue regardless of any of these solutions.

2.7.3 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

If Budget agrees to budget deeper into AC by allowing a current project to be broken up into multiple posting activities instead of one posting activity, then changes to procedures in BuDS would also be required. If a project manager instead is allowed to create a separate Lawson AC budget and use it to report, then procedures would need to be in place to ensure that said budget matches the more highly summarized budget established by Budget - just as should already be required of the budget translators. If breaking out the one activity into multiple activities causes undue burden on the input side such as too many PO lines, then it could create situations where a budget translator is still required as a result – because actual wouldn't be in Lawson AC to the level of detail needed to prevent the need for a budget translator. The Storefront example would not require more PO lines to record at a deeper level in Lawson AC because work orders are already being recorded in Lawson PO at the lower level by line item. For this Storefront example, the budget tracker could be eliminated without impacting the number of PO lines entered currently.

2.7.4 Dependencies

In some cases, Professional Services must be willing to accommodate additional PO line items and adjust more lines when a budget changes to split out a project into more activities. Budget must be willing to budget at a lower level if the project manager does not split out the budget in a separate area on their own (a separate budget “bucket”) or if they cannot split the budget down instead. UDD confirmed that in most cases, more lines would not be required; they would only be more specific to an actual project, not divided between projects.

2.8 Need Project Portfolio and AC to align to allow Lawson AC to report on all projects setup in Project Portfolio where financial reporting is required.

2.8.1 Description of Process

Currently, Lawson AC and Project Portfolio lack a one-to-one relationship for projects. There is a setting in Project Portfolio to link each project in Project Portfolio to a valid activity, but the field is not required, and a one-to-one relationship is lacking in most cases. As a result, the financial reporting out of Lawson AC does not always correspond to projects in Project Portfolio. This means that Lawson AC lacks the current ability to produce complete and accurate financial statements for each project in Project Portfolio. [Which system needed to be aligned with the other was not fully defined by the PDC person giving this pain point, rather the intent was to document that a lack of alignment between Lawson AC and Project Portfolio exists currently.]

2.8.2 Dependencies

Project Portfolio and Lawson AC could be aligned on a one-to-one basis at some level to achieve full AC financial reporting from Lawson for projects in Project Portfolio. Budget amounts would also need to align to get budget to actuals where required.

2.9 Lack Project definitions especially for business and industry team initiatives, who work more programmatically.

2.9.1 Description of Process

PDC lacks a clear and agreed-upon definition of the word project.

The budget is currently created using the following:

1)Fund 2) Program 3) Center 4) Account 5) Activity

Some people use the Activity as a project, some use program, some use fund and some use combinations in between. Some staff use a project as a subsection of the one activity by referring to a phase of a project.

2.9.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Lawson Activities has posting and summary activities in a five-level structure. A posting activity rolls into a summary activity in levels above it. You can code to one activity per entry. A project in Lawson activities can be split into phases or broken into other pieces of a project to get separate financials. In those cases, you could have a project with multiple phases that would contain multiple posting activities that roll into multiple summary activities. If a program only needs separate financials once, it might be only setup once in Lawson AC – but if more financials are needed as a breakdown then additional activities should be setup to accomplish this.

2.9.3 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

The Budget section is currently budgeting to one single activity per program/project – not multiple activities for one project according to how it might need to be split out in the future.

The budgeted activity is sometimes a program, sometimes a project – it varies. As a result, budgets would need to be created by the budget analysts or the project manager to get budget to actual at a lower level. It is possible to have the budget analyst still budget at a high level while the project manager splits out a separate budget at a lower level separately. It could also possible to record actual at a lower level without lower level budget detail to match, leaving the budget at the higher level.

2.9.4 Dependencies

Output (AC reports) is dependent on input (PO/AP/GL) entries that result. A balance is recommended between the extra input required in Lawson to achieve the benefit derived to prevent adding additional input when it may not be worth the required output achieved.

2.10 Project Code is a source of confusion right now since sometimes it's a project, sometimes it's a program, fund, etc.

Currently, the project code setup in Activities is a source of confusion since it is sometimes a genuine PDC project, other times it's referred to as a program. Lack of consistency here is contributing to the confusion surrounding the definition of a project code and a project.

2.10.1 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

If all relevant projects were setup with at least one activity in Lawson AC, then more consistency could be achieved surrounding project codes and projects. When a project code is sometimes a program and sometimes a fund it causes confusion. If the genuine projects below a fund and program were setup in Lawson AC and used consistently then this confusion would be corrected.

2.11 The way Accounting describes a Project seems to differ from the way project management standards (and UDD) define a Project. If this is having ramifications on the system, we need to align the terminology. I understand accounting to be referring to a code.

2.11.1 Description of Process

This was answered in 2.10 above.

2.12 PDC can't get reliable reports on what's in pipeline overall - what's committed, approved, encumbered, and spent. All of these matter, not only for Projects but also for Programs.

2.12.1 Description of Process

Currently, Mitas tracks commitments on loans/grants but does not hold the official latest version of the budget. Reporting of budget to actual and committed/encumbered to actual are not possible in Mitas since the budget is housed in Lawson. Pipeline is tracked in ACT! while other amounts are in Lawson as either an RQ or PO amount. Reporting for this is piecemeal and the interface from Mitas is only occurring monthly. This results in only one to two days per month that Lawson is partly up to date on commitments to budgets. Since budgeted amounts are at both a project and program level, the commitments associated with the project and program levels are important. However, these are not easily determinable and PDC is at risk of overspending budgets that cannot be overspent by law. In some cases, this overspending has occurred when the system should have procedures in place to prevent this.

2.12.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

- Mitas is interfacing monthly instead of daily. This causes difficulty in getting accurate budget to actual that includes commitments. A daily interface from Mitas will help correct this timing issue.
- If Mitas were to send PO's and/or requisitions to Lawson, then Lawson could track them as commitments in Lawson both as an RQ commitment and a PO commitment separately. This would allow Lawson to report Budget vs. Actual and also vs. RQ and/or PO commitments from Lawson.
- If ACT! holds the pre-commitment for pipeline, then it could be taken from ACT!, while the report takes the RQ and/or PO commitments from Lawson's tables along with the actual and budget amounts from Lawson's tables. The problem with this would be Lawson's budget edits would not capture pipeline from ACT!, since it's outside of Lawson.
- The commitments from the Real Estate system would need to be recorded in Lawson to assure that the appropriate RQ or PO entries are in Lawson as a commitment.

2.12.3 Dependencies

Mitas future state would need to interface daily and also adjust current interface debits and credit entries. Additionally, a daily interface to create PO/RQ commitments would be required. ACT! tables would need to accommodate the pipeline source data properly. Any other daily commitments would need to be added real time.

2.13 Can't report now on an RQ commitment in AC vs. PO to get a Budget to RQ to Actual Report. Although requisitions at this point are fairly narrow, as these are expanded out to all contracts (which they should be), this will get more important.

2.13.1 Description of Process

Part of the issue between Lawson AC financial reporting and Project Portfolio is related to not having a one-to-one alignment between AC projects and Project Portfolio projects. When that alignment issue is corrected this problem should cease assuming that commitments via both RQ and PO are made against the new activities. Each contract would have an alignment from Lawson AC (the financial system of record) to Project Portfolio and as a result AC would be able to report RQ and/or PO commitments by activity and or fund/program in GL to solve this issue. Lawson does allow for reporting by RQ vs. PO System Codes to separate out this type of commitment reporting when both system codes are in use and have commitments turned on.

2.13.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Align projects in Lawson AC to Project Portfolio and create RQ and PO's accordingly to allow for this type of commitment reporting as required.

2.13.3 Dependencies

Must align projects in AC to projects in Project Portfolio in a way that will help facilitate financials that are useful for Project Portfolio projects.

2.14 It would be good to be able to see Lawson AC financial data come through the link to Project Portfolio. There is a link now, but only to the code itself.

2.14.1 Description of Process

Part of the solution is to correct the lack of one-to-one relationships between Lawson AC and Project Portfolio. It was pointed out that Project Portfolio has a way to specify an activity for each project in Project Portfolio. However, the activity is not a required field in Project Portfolio and also is not a one to one relationship from Project Portfolio to Lawson AC – meaning that currently running an AC report won't necessarily be exclusive to that project portfolio project, preventing Lawson AC financial data from achieving proper alignment to the link to budget code in Project Portfolio.

2.14.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

If data is not collected in AC (the financial system of record) to match where the activity is linked in Project Portfolio, then a gap exists that prevents Lawson financial data from matching project portfolio data.

2.14.3 Dependencies

Lawson AC Projects must align with projects in Project Portfolio.

2.15 We would like to see a dashboard report from Lawson that distributes reports automatically and gives budgets to actual

2.15.1 Description of Process

Need a dashboard to easily get financial data from Lawson to Project Portfolio.

2.15.2 Dependencies

Once AC is aligned to Project Portfolio it could produce reports that could be placed in an LBI dashboard pending LBI's implementation.

2.16 Sometimes an activity is overly restrictive on which program area categories it will allow. Many projects touch multiples, like plans and strategies (392) for revitalization, along with infrastructure (400s), and maybe even (200s).

2.16.1 Description of Process

The AC07-Account Assignment overly restrictive in some cases.

2.16.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

AC07 can be set to include and or exclude areas of the GL coding block. In some cases, this is being over-restricted.

2.16.3 Dependencies

Clear definition of requirements at setup can help get AC07 setting done correctly in the first try for a project. Occasionally, it can be difficult at the time of an AC07 setup to know for sure which accounts might be appropriate for a project at early stages of that project. As a result, it may not always be possible to have AC07 set up optimally until a project has been in place longer and more is known about which restrictions are desired for that project – by which time inappropriate account transactions may have taken place and have to be corrected.

2.17 Systems are not properly integrated and duplicate data input occurs sometimes.

2.17.1 Description of Process

All program contact information for financial assistance recipients are entered into both ACT! and Mitas resulting in duplication of effort.

2.17.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

An interface could be built to prevent duplicate entry.

2.17.3 Dependencies

Interface to prevent duplicate entry.

2.18 Lawson FB/GL and AC Budgets are not designed to link together the way PDC requires it. Work arounds exist by linking via user fields and maintaining two separate budgets.

2.18.1 Description of Process

Lawson is designed to have GAAP budgets in GL and separate project budgets in AC. Because budgets are built to have funds, programs, and centers in GL and projects in AC, and those are connected closely to AC projects; the budgets are done together and loaded as such. A link in FB user fields allows for a connection to keep the two in balance.

2.18.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Lawson is designed to have separate budgets here with limited linking. As a result of that, the current work around exists. Lawson is designed to usually require a separate project budget by definition so the unique use of Lawson here to utilize AC features and to streamline budgeting procedures makes the current work around a creative one.

2.19 General Fund - need to be very specific about these funds

2.19.1 Description of Process

Because of the visibility and expectations for General Fund reporting to the City, there is an elevated business need for detailed reports that explain the relationship of expenditures to programs and goals supported through this funding source. PDC is required to provide detailed information on expenditure (year to date budget to actual) while referencing how these expenditure contribute to planned deliverables. Collecting the information on a monthly "as-needed" basis is very labor intensive; i.e. starting over each month.

2.19.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Lawson has limited field sizes as entries are created in RQ, PO, AP, GL, etc. As a result, the detail data that appears in Lawson's GL and AC transaction tables is limited. Lawson does allow users to drill into each detail line to see the source from subsystems. Currently, invoice and/or source documents are not attached to those entries. This means without getting a paper copy of the AP invoice (or other related source documents) it would be very cumbersome to gather information needed on the Mayor's report. There are plans to attach document images such as the invoice to Lawson's AP invoice detail that will enhance the ability to have required detail online without pulling invoice copies from a file cabinet.

The GL Chart and GL Accounting Units and Activities setup can also help break up the general fund into segments that are more meaningful for such a report. However, that would require maintenance to setup as needed and would also, in some cases, require more PO line item details to be added. Even if more PO lines are used, there are limited description fields that could be used to help with such a report. Even if extra fields are used, there is still the added extra effort to input that into the fields without fully preventing the need for manual work to report on the general fund.

As a result, this situation might not have the effect of reducing the work of collecting information needed to answer the Mayor's report unless it's worth the extra time to setup appropriate GL and AC departments to track such data.

2.20 Some project work is unfunded and as a result must either utilize the General Fund or gets attached to a another fund after the fact - so difficult to budget for these

2.20.1 Description of Process

There is a business need to have some flexibility in fund allocations at the project level.

2.20.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Currently, the GL is setup to capture Fund and Program and Center as part of the GL coding block before using the AC part of the coding block to code to the project level. As a result, the original entry by definition goes to the fund, program and center at time of coding. If changes to the fund need to occur after this point, a GL reclassification is required. Budgeting after a reclassification can be difficult since the history associated with another fund/program in GL.

The flexibility exists to reclassify from one fund to another in Lawson as needed and appropriate via reclassification. Since General Fund is unique compared to other funds, it makes this a bigger issue for General Fund than other funds.

2.21 Managers in UDD are not always requiring people to use ACT! and Project Portfolio consistently and to update promptly - inconsistency results in incomplete input and therefore output

2.21.1 Description of Process

Ownership of business information and processes need to be more clearly identified.

2.21.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

This is a policy topic where policy to input to existing software promptly is required and enforced.

2.21.3 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Create policy and enforce it.

2.22 Only Tier 1 projects in UDD are required to submit a monthly project status report from Project Portfolio right now - so lack consistent quantities of/timeliness of information across the projects in Project Portfolio

2.22.1 Description of Process

Not all tiers being reported on Project Portfolio consistently.

2.22.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Only Tier 1 projects are required to be reported on a monthly basis. All projects are assumed to be entered into the system.

2.22.3 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

If policy is really to only report on Tier 1 projects then consider changing policy. Betsy's comments indicate that the policy is to enter all projects slated for UDD, no matter if Tier 1, Tier 2 or Tier 3.

2.23 Not always adding a UDD project to Project Portfolio right when it's first known - no business rules or consistency for this yet. Things in silos

2.23.1 Description of Process

Not always adding a project to Project Portfolio when it's started. Business rules for when to enter information into Project Portfolio have been provided, but staff new to the system may not have a clear understanding of how it applies to their projects.

2.23.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Create a business policy to clearly define what goes into Project Portfolio, at what timing, by whom, and in how much detail. There is a "Pending" project state option that could be utilized more fully to address this before a project goes to "Active" state. Get the appropriate department managers to agree and approve this policy and then enforce such a policy to resolve this issue. The department manager approvals are critical to solve the silo issue. PDC is aware that they need to evaluate, document and communicate business rules for systematizing business processes. Side-tracking still occurs.

2.24 UDD staff will say Project Portfolio is great for tracking but does not help with their job and getting tasks done.

2.24.1 Description of Process

Although not a representative sample, a few users have indicated that although Project Portfolio may work well for management purposes, they do not find that it helps them manage their individual projects.

2.24.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Educate people on value to the system and benefits of using it. Tie performance to adherence to policy of populating it promptly and completely.

2.24.3 Dependencies

Training and attaching performance reviews to adherence to policy of using this system.

2.25 Staff has indicated that they are sometimes not sure if an activity belongs in ACT! or Project Portfolio.

2.25.1 Description of Process

Confusion on when to enter to ACT!, Portfolio, or both.

2.25.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Provide training and policies and attach to performance reviews for compliance.

2.26 UDD business rules keep changing and evolving - and there is a lack of business rules right now such as to require data go into systems consistently and timely.

2.26.1 Description of Process

Changing business rules and lack of them impact data input consistency and timeliness. UDD business processes are undergoing a great deal of organizational change and business rules have become unclear. PDC knows they need to clarify and document emerging business processes.

2.26.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Update business rules, train on them and enforce via link to performance reviews.

2.27 We would like to see a dashboard report from Lawson that distributes reports automatically and gives budget to actual with ease

2.27.1 Description of Process

Need to get reports from Lawson for budget to actual in a dashboard report that is distributed automatically and gives information with ease.

2.27.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Once AC projects and budgets are aligned with Project Portfolio projects on a one-to-one basis, then an automated report with the data needed could be provided with LBI or any other reporting tool that can read the data from Lawson and provide it once Lawson AC is aligned with Project Portfolio.

2.27.3 Dependencies

Align Lawson AC to Budgets to Project Portfolio.

2.28 Put proposed and amended budgets in as early as created but before approved so you can see the budget in Lawson before it is approved to know what's coming

2.28.1 Description of Process

Budgets that are close to full approval and loading to Lawson are not available yet in Lawson. Only the approved budget is systematized. Managing budgets is very difficult without being able to use draft budgets, budget amendments, and year-end balances to clearly identify carry-over funds.

2.28.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Option exists to load into separate area for visibility if desired. View proposed budget amendments and adjustments (adjusted budget) as an alternative to the actual Approved-Budget. There is a problem before the budget is officially approved and at year-end, managing rollover funds.

2.29 Architectural Issues – Multiple databases that could be eliminated.

2.29.1 Description of Process

Data does not currently come from one single accurate source. Instead, data is being pulled from multiple databases that don't always match. Multiple sources of the truth exist now that side spreadsheets and other side tracking methods are used. Much of this side tracking has been done because interfaces only happen monthly rather than daily. As a result, side spreadsheets track what otherwise could be tracked in the system real time instead. Side access databases also are used now with a review of that underway.

2.29.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Most side sheets are because of:

- Lack of a daily interface (System data not current so side tracking makes up for this)
- Lack of all information in the system such as all encumbrances
- Lack of budgets at the desired level in all cases – with work around spreadsheets to fill gap
- Lack of detail in Lawson AC so it's tracked in detail on a side sheet.

2.29.3 Dependencies

When data lacks timeliness, such as in the case of monthly interfaces, it tends to get tracked outside of the system to compensate. When the system of record lacks the detail required by operations, side spreadsheets result to compensate.

2.30 Duplicate contact records are created in ACT! if a prospective borrower is eligible to different types of loans

2.30.1 Description of Process

A business contact record in ACT! contains the Loan Type field – this defines the type of loan that the prospective borrower might be eligible for. In the current PDC environment, a borrower can be eligible for more than one type of loan. The system, however, allows only one Loan Type value to be assigned to a contact record which results in the process to create multiple records for the same contact.

2.30.2 Visual Mapping of Process (Technical Design) (Visio - Diagram)

The screenshot displays the ACT! software interface for 'PDC BUSINESS CONTACTS'. The main window shows contact details for 'Zona Rosa (Workbody, LLC) #3'. The contact's name is Tom, title is Owner, and phone numbers are 503-233-6447 (main), 503-806-7034 (mobile), and 503-233-6447 (fax). The 'COMPANY DESCRIPTION' field is empty. The 'PROJECT DESC/UPDATE' field contains the text: 'Interested in relocating food cart business into CES location. Wanted to PDC programs available. He is looking at a site to purchase at 15 SE 6th. Sending application and he can call LO with questions.' The 'NEXT STEPS' field contains: 'Gave him additional information on our loan programs, suggested SBA 5 program because he wants to buy a building and gave him contacts, su local banks, BHCD and Mercy Corps-the might have connection for low'. Below the contact details, the 'Business Finance' tab is active, showing a 'Loan Type' dropdown menu with 'DTIF' selected, circled in red. Other fields include 'Finance Contact Date' (5/20/05), 'Loan App Recd Date' (9/13/05), 'Loan Status' (Approved/Committ), 'Loan Amount' (\$100,000.00), and 'Fiscal Year' (05-06). A 'CLOSED' status is visible on the right side of the form.

Basic information about a contact record in ACT!

2.30.3 Technical Design Descriptive Assessment Report

Business Finance tab: only one Loan Type field is available to be assigned to a contact. Flat database design contributes to the issue as well.

The primary limitation in the ACT!'s technical design is that does not have the ability to define one-to-many table relationships, i.e., it is a "flat" database.

2.30.4 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

The workaround around to the system limitation is to create a duplicate contact record for each loan type that needs to be assigned. This results in a greater risk for reporting error and miscounting.

2.30.5 Dependencies

An IT project to upgrade ACT! is currently under consideration. The new technology of the product will allow the definition of custom tables that have a one-to-many relationship with the master contact record thus eliminating the need to define duplicate contact records. It is unknown at the time of this report whether this upgrade project will be approved.

2.31 Real time (daily) status of fund budgets balances is not available in ACT!

2.31.1 Description of Process

ACT!'s primary use is to track contacts and relationships between PDC/UDD and potential borrowers/grantees from the various funds under PDC's management. The availability of current fund balances that take into account encumbrances, commitments and actual expenditures is critical. This information is not available due to the lack of timely integration between Mitas, ACT! and Lawson.

2.31.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Lawson provides a five-level deep activity structure for rolling up detail activities into summary roll up activities above. This five-level structure is available to break down detail posting activities at time of entry and roll them into summary levels above to still summarize at a higher level. Currently, most projects that require more detail, such as this, are being broken down after the fact via excel when this could be more automated in Lawson AC. A new enhancement as a result of PDC's recent upgrade also gives more flexibility to use the new AC Structure (AC08) features within Lawson AC to summarize detail Account Categories differently for different projects by Activity Group via AC08. As the future state is developed for AC, this functionality will be reviewed to help determine a business process to dictate when a project warrants further such breakdowns and the required consistency between BuDS, Lawson AC and Project Portfolio and any other system that might utilize Lawson AC.

2.32 Lack of consistent business rules and compliance for data entry of contact and loan information in ACT!/Mitas

2.32.1 Description of Process

The ACT! application is currently utilized by UDD for tracking and managing contact information on existing and potential borrowers. Once a borrower submits a loan application, information about the loan application, approval and initiation processes are tracked in both ACT! and MITAS. Additional project and business outcome information is tracked about the business applicant.

2.32.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Issues exist with data integrity that has an impact on the accuracy and completeness of the data:

- The values of three data fields in a record in ACT! define the funding source for the loan: Loan Type, Program Area and Urban Renewal Area. The system does not validate the selection for an invalid combination of values.
- Business rules are not well defined and as a result, the quality and completeness of loan data entered in the systems are not consistent
- There are various queries of ACT! data via Excel Pivot tables used to report on Business Finance monies in 15 funds (11 URA and 4 others). This process is difficult and time consuming as it requires extensive data manipulation
- Annual Ratios calculated manually instead of an automated reporting/dashboard – some values are entered as the ratio instead of the actual value. This requires manual analysis by referencing the source documents.

2.33 Difficulty in accessing supporting documentation

2.33.1 Description of Process

Documents related to financial assistance programs were formerly stored in the ACT! system. The documents are now collected in ECM (Enterprise Content Management) but a link does not exist between ACT! and ECM.

2.33.2 Technical Design Descriptive Assessment Report

The proposed upgrade to ACT! is intended to address this issue in that links will be created between ACT! and ECM documents.

2.33.3 Dependencies

Approval of ACT! upgrade project.

2.34 Loan pipeline information is not integrated with up to date available fund/program balances

2.34.1 Description of Process

Dashboard and performance reports exist where a full view of loan balances are required to include amounts in the pipeline status, approved loans, encumbrances, and actual disbursements.

2.34.2 Visual Mapping of Process (Technical Design) (Visio - Diagram)

Pre-encumbrance loan pipeline information is entered and maintained in the ACT! application. ACT! contains pipeline information up to and including the “Amount Committed.” The committed amount is then entered into the Mitas system and is encumbered at that time. Disbursements, payments, and loan balance information are maintained in Mitas.

2.34.3 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Several factors contribute to this situation and are the main points to be addressed by the current project:

- There are multiple loan balance amount fields in different systems, mainly ACT! and Mitas.
- Due to a lack of common coding rules, loan balances between systems are not integrated systematically. In addition, business processes are not in place to maintain data consistency.
- Due to the lack of business rules, reporting rules are also not consistent.
- Since Mitas is not interfaced to Lawson on a daily basis, up-to-date encumbrance and commitment amounts are not available.

This lack of integration is hampering the ability to perform more robust performance analysis such as:

- How long does it take to go from application to disbursement?
- How many loans / grants are not funded?
- How does commitment and fully disbursed amounts differ?

2.35 Future dated commitment amounts are not properly reported

2.35.1 Description of Process

One the most pervasive pain points with the current business processes is the lack of a consistent methodology to record and report on encumbrances. More specifically, the current systems, as implemented, are not configured to capture encumbrances by year for multi-year contracts. The resulting pain point is that encumbrances are often overstated as the full amount on a multi-year contract is entered for the current year when it should have been distributed over future years.

2.35.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Additional analysis and testing of new processes around the capabilities of Lawson AC to process future dated commitment transactions is needed. Some initial testing indicates that requisition (RQ) transactions can be entered with a future “delivery” date and commitment balances are updates accordingly.

2.36 Need to track, via spreadsheets, Storefront by Client Business, by fiscal year, by disbursed, undisbursed and committed by service contract. Currently cannot do this in Lawson since we lack daily interfaces and current detail information in Lawson without integration to other systems such as the ACT! pipeline.

2.36.1 Description of Process

The Storefront budget tracker spreadsheet currently needs to be filled in and tracked manually because all stores are in one Storefront activity in AC10. AC lacks the detail broken out by Storefront to allow for Lawson to track this instead of the current tracking in Excel. Lawson also does not currently track encumbrances that cross fiscal years, causing that to also be tracked off ledger in Excel.

2.36.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Lawson's reporting is currently limited since each Storefront lacks its own activity currently with all Storefronts coded to one activity only. The spreadsheet is used to break out what otherwise could be automatically broken out by separate AC10 activities for each Storefront instead of summarizing all Storefronts to one activity as is currently done. Interfaces need to be daily as well to enter the information in often enough to always have the most current information from Lawson AC instead of having to go to the side spreadsheet as is required now. Also, would need to have encumbrances recorded in Lawson by fiscal year to populate Lawson with enough information to replace the current side tracking spreadsheet. Budgets need to be placed at the Storefront level within Lawson to get budget to actual by Storefront.

2.36.3 Dependencies

- Daily Interfaces.
- Budgets at the Storefront level.
- Encumbrances by fiscal year.
- Activities built for each Storefront instead of lumping all to one Storefront activity.
- ACT! pre-encumbrance data.

2.37 Challenging to create a budget because every year procedures and systems change just as getting used to it.

2.37.1 Description of Process

Hard to gather and compare data when it ends up a moving target.

2.37.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Structures and reporting keep changing, so history is hard to track into future year budgets.

2.38 Lack of business rules regarding contracts that cross fiscal years for budgeting, encumbrances and how to appropriate and identify leftover encumbrances to be considered for future year appropriations

2.38.1 Description of Process

There is a lack of consistent business and system process right now to identify future year encumbrances and appropriate accordingly. In some cases, amounts are being encumbered to the current year when it is for a future fiscal year. In other cases, amounts are not being encumbered or tracked at all, making budgets difficult to create.

2.38.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Current lack of policy on this topic.

2.38.3 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Current lack of system use to make future year encumbrances.

2.39 Cannot see encumbrances in the future year(s) and system not automatically moving encumbrances from year to year

2.39.1 Description of Process

Duplicate of previous pain point 2.38.

2.40 Many instances where we have to enter the same data into many different systems and or spreadsheets

2.40.1 Description of Process

Currently, it's necessary to key data into the systems multiple times. For example, data must be entered into ACT!, then again in Mitas, then again in Lawson, and finally in a spreadsheet to track it. Sometimes, a different value is entered from the lack of controls to prevent multiple versions of the "truth".

2.40.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Lacking interfaces to move data from one system to another and in many cases lacking enough detail and daily interfaces to have current data enough to get information from the systems instead of from side spreadsheets to compensate.

2.41 Hard to get data into Mitas because of the approvals required in Mitas.

2.41.1 Description of Process

Comment that approvals in Mitas make it laborious to enter data into Mitas.

2.41.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

PDC management discussed this further and explained that the approvals required are necessary for control purposes.

2.42 Lack of comprehensive system for reporting

2.42.1 Description of Process

Reports can be difficult to create and require manual intervention when they could be automated and easily obtained.

2.42.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

More reports can be built, especially once the alignment and interface issues are solved to be able to better rely directly on automated reports built from the tables or data warehouses.

2.43 Lawson AC is not currently set to book debit and credit entries – instead it’s simply tracking “commitments” which lack historical transactional reporting ability

2.43.1 Description of Process

The standard functionality of Lawson AC and GL is designed for tracking commitment transactions and balances, not as journal entry debit and credit entries. Historical tracking has been an issue, since the tables to track commitments can be changed depending on how the PO line changes. If a PO line is “changed” by adding new lines, then “history” can be preserved and a record of what has changed is easier to see.

2.43.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

PDC would prefer to have debit and credit entries instead of the commitments tables, which lack “transactions” in GLTRANS for historical reporting that way. While this is truly a pain point, Accounting has chosen not to utilize debits and credits at this time but would be interested in exploring this in the future.

2.44 Changes to Lawson can and do result in problems in the financial data warehouse – so any changes will need to consider this

2.44.1 Description of Process

The financial data warehouse currently in use depends on data being fairly consistent from Lawson. When setup changes occur, it can cause issues in the data warehouse. Using Lawson's data warehouse from LBI would be one potential solution to this.

2.44.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Using LBI's data warehouse could prevent some of the issues currently experienced with the current data warehouse.

2.45 Up to date current cash and budget balances are not available from current systems

2.45.1 Description of Process

Two of the core financial systems at PDC (Mitas and Lawson) are integrated only once a month (from Mitas to Lawson). Reporting on current cash or fund balances requires a great deal of manual processing to extract and format data from multiple systems.

2.45.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Four major factors contribute to this issue:

- Lack of system alignment
- Lack of daily interfaces between systems
- Lack of consistency in procedures and policies, i.e., in relation to how departments develop a budget for a new project to ensure alignment. This relates more to alignment, not to internal controls in any of the examples cited. Alignment means project numbers between systems, Project Portfolio project alignment to Lawson AC project, etc. These are not audit control issues. These are mostly reporting alignment issues.
- Lack of consistent encumbrances that are for the appropriate fiscal year

2.46 Comprehensive project management financial reporting is not available from current systems and configurations

2.46.1 Description of Process

Detail project management financial information is tracked via side spreadsheets and are not visible to the organization as a whole.

2.46.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

The lack of integration between systems and incomplete configuration of the Lawson AC system results in the need to create and maintain side spreadsheets.

2.47 Proper recording of encumbrances by year needs coordination of business processes between budgets, operations and Accounting

2.47.1 Description of Process

Lack of policy about encumbrances that cross fiscal years has been the source of confusion. Policy agreement and enforcement from Budget, Accounting, Professional Services, and UDD would help solve this important issue.

2.47.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

A policy needs to be put in place for this along with reports from Lawson for future year encumbrance information. This policy should be agreed between UDD, Accounting, Professional Services, and Budget.

2.48 Detail financial reporting is lacking in Real Estate because they are in Excel.

2.48.1 Description of Process

This was answered in the Credit Administration and Asset Management.

2.49 Not using Allocations from either AC Allocations or CA Allocations when possible if statistics and other data were brought into Lawson

2.49.1 Description of Process

Lawson has two allocation modules, one as part of the Activity (AC) Module, another for the General Ledger module called Cost Allocations (CA). These modules can be used for more than just a standard allocation. In addition to using these modules for a standard allocation, it is possible to have Lawson create entries based on calculations automatically. The calculation can be based on a statistic if statistics are loaded to Lawson. The statistic can be used in calculations against balances or calculations of balances to derive an entry that could be currently calculated on a spreadsheet and entered into the system as a manual journal entry currently.

2.49.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

If current entries are reviewed to see which entries might benefit by automating them in the allocations areas of Lawson, then those side spreadsheets could be replaced by automated entries driven by statistical values that are interfaced or keyed to Lawson monthly. This was brought up by PDC because of the missed opportunity here to have statistics in Lawson that could drive the automation of entries.

2.50 Need daily interfaces to Lawson to track cash, budget, pipeline, encumbrances, commitments.

2.50.1 Description of Process

Daily Mitas interfaces are critical to get information from Lawson that is timely enough to prevent the need for side spreadsheet and off-ledger tracking. This is closely related to 2.3 and 2.4 but is specific to interfaces. Other interfaces outside of Mitas may also be needed daily – but without a doubt Mitas is the key interface for this topic currently.

2.50.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Currently, a lack of daily interfaces prevents Lawson from having the most current information. Without having more current data, side-spreadsheets and side-tracking result outside of Lawson. Lack of more current interfaces prevent users from going to Lawson for information and instead cause maintenance of side trackers as a result. These side trackers can occur when Lawson AC lacks depth to report detail that is then brought to Excel for side tracking. The side trackers usually relate to budgets, but can also related to actual amounts in more detail than is stored currently in Lawson – to break out data after the data is recorded in Lawson at a higher level than needed.

2.51 Need to make sure budgeting is properly available downstream to Accounting.

2.51.1 Description of Process

Currently budgets are broken down into more detail outside of Lawson in Budget Tracker Sheets. Because these are off ledger and not in the financial system, not everyone can easily see this “downstream” budgeting. This also applies to the production of the CAFR and related financial audit.

2.51.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Coding structure needs to be revised in Lawson AC to allow for the tracking of additional levels of detail.

2.52 Capitalization of property is a manual process and the allocation of costs to consistent property ID's (linkage to what is in the real-estate data base).

2.52.1 Description of Process

Currently, PDC does not utilize Lawson functionality that AC provides to collect and then capitalize assets using the AC160 program to capitalize the "collected" data from AC to create a new asset in the Lawson AM system. Instead a manual process exists.

2.52.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

Lawson offers a powerful way to collect detailed data in Lawson AC and use the standard AC160 program to capitalize a new asset into the Lawson Asset Management (AM) module. This is an area of potential added value over the current manual process. Using Lawson AC to collect costs and capitalize also provides the added value of collecting and keeping the detailed transactions that become new any capitalized assets created in the Lawson AM system.

2.53 Timing of encumbrances (current year vs. future years) is not available through system reporting which can result in over-borrowing

2.53.1 Description of Process

Currently encumbrances are entered without a clear and consistent set of policies and procedures. Examples include:

- An encumbrance is defined for the purpose of reserving funds but will not ever be fully expended.
- Encumbrances are created in a fiscal year for amounts that exceed what is expected to be expended in that fiscal year.
- Shortage of encumbrances at all when money is expected to be expended.
- A project is expected to last three years but information about when funds are expected to be expended is not readily available through system reports.

2.53.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

There seems to be a general lack of business policies and procedures between Budget, Accounting, Professional Services, and UDD in the topic of encumbrances. In addition, the current systems do not have the ability to record and track encumbrances beyond the current fiscal year.

2.53.3 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Testing has been done to put a future fiscal year encumbrance into the system. Lawson does allow for future year encumbrances, which are edited against the AC calendar that applies to the project coded. Once the entry moves toward actual, a valid GL calendar would also need to be in place to accept the resulting GL coding block, but a valid GL calendar is not required initially under those circumstances.

2.54 Can't tell when encumbrance will be expended – need to know which fiscal year the encumbrance is for

2.54.1 Description of Process

Currently, there is no official policy in place on how to track when an encumbrance will be expended. See 2.1 above for further details on this pain point.

2.55 Accounts Receivable (AR) not always captured and/or available through systems reports in manner that facilitates tracking and collections by PDC

2.55.1 Description of Process

Budget pointed out that certain AR is not being properly tracked in the financial systems (example provided was DDA with PSU for the Payment in Lieu of Taxes (PILOT) Agreement related to the Doubletree Property).

2.55.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

AR should be tracked and controlled in the financial systems to ensure proper control and collection. System and business policies are not in place to capture all Receivables.

2.55.3 Dependencies

Both Mitas and Lawson have an AR module – further analysis is needed to determine the appropriate system of choice.

2.56 Lack of consistency for Project Numbers between Project Portfolio and BuDs/Lawson AC

2.56.1 Description of Process

Currently, project numbers can vary between systems – causing alignment issues.

2.56.2 Analysis of business concepts, gaps in data model and addition of missing concepts to data model

When project numbers don't match it makes it difficult to code and have entries flow through the various systems. Aligning these would help transactions flow across systems.

Tony's Comment: "Having AC agree with Project Portfolio is very critical for tracking purposes – My only potential concern is how this gets rolled out. We should probably drive the creation of new activities through Lawson, which will then generate the activity in Project Portfolio."

2.57 Double Maintenance – any new coding block setup in BuDS or Lawson must be keyed into both systems for the BuDs to Lawson interface to load without error. This includes adding a fund, program, project, etc.

2.57.1 Description of Process

Setups are required to both systems to keep them in alignment. No interface currently exists to promote entering a setup once and having both systems properly aligned, causing the need to enter the same information twice to achieve alignment.

2.57.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

An interface could help increase alignment and accuracy between the two systems.

2.58 Mitas is not updated to Lawson promptly enough

2.58.1 Description of Process

Lack of a daily interface is a major reason for many of the side budget spreadsheets and work-around procedures that could be eliminated if a daily interface were put in place.

2.59 BuDS keeps some detail at a lower level than Lawson, i.e.: Travel might be broken down deeper in BuDS and rolled into a higher level in Lawson’s budget.

2.59.1 Description of Process

Currently, budgets can have more detail in the BuDS system than is interfaced over to the Lawson system.

2.59.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

When more detail exists, there could be a benefit to bring that detail into Lawson to increase visibility of the budgets and tracking by line item in Lawson. Unless PDC states that this type of detail would be needed in Lawson, then the assumption will be that this level of detail is not needed by PDC in FB.

2.60 Property management information is not available to staff outside of Real Estate Management

2.60.1 Description of Process

Due to the lack of a centralized and easily accessible property management system, the staff in Real Estate is often receiving e-mail requests from other areas at PDC whenever they are looking for financial or statistical information on properties. This is a time-consuming process, subject to errors and inconsistencies.

Quarterly Asset Management and Credit Administration Dashboard report is Excel-based and prepared with a great deal of manual effort by combining data from multiple spreadsheets and Access databases

2.60.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

Selection and implementation of a centralized property management system will greatly reduce the time and effort required to retrieve information about properties, tenants and financial transactions. Using MS Access or Excel as the “system” greatly limits visibility to the rest of the organization.

Detail vendor contract or payables information by property is not available in Lawson. Individual property codes are not defined in Lawson and as a result, whenever Accounting or Budget need expenses broken down by property, a request is made to Real Estate to prepare reports from side spreadsheets and Access databases.

2.60.3 Dependencies

Property management software by Yardi or other comparable product should be evaluated. Access to such a system can be more easily granted and controlled to staff in multiple areas within PDC’s organization.

2.61 Tenant Accounts Receivable information is not available

2.61.1 Description of Process

All operational PDC-owned properties are managed by a third-party property manager. The only financial transaction that is currently being recorded in Lawson is the net payment that is sent in every month by the property manager. This payment is the net of total rent collected and total expenses.

Various spreadsheets and Microsoft Access databases are used to support the detail data requirements (property, tenant, leases). None of the current spreadsheets provide an accounts receivable balance and aging by tenant.

2.61.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

The Real Estate management area is in urgent need of a comprehensive property management system that can provide functionality to support its core activities:

- Property information management
- Property acquisition and disposition transactions
- Tenant lease information management
- Accounts receivable tracking
- Contract and work order management
- Facilities management
- Integration with Lawson by interfacing financial transactions or balances

2.61.3 Dependencies

Property management software by Yardi or other comparable product should be evaluated. These systems typically include robust billing and accounts receivable functionalities for property management business processes.

2.62 Detail revenue and expense information by property is not available

2.62.1 Description of Process

All financial information detailed by property is maintained on side spreadsheets and Access databases maintained by the Real Estate/Asset Management section. For third-party managed properties, the only information that is recorded is the net payment submitted monthly by the property manager (rents minus expenses minus fees). This information is typically provided on paper or e-mails.

2.62.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

- Revenue and expense provided by third-party managers are not broken down into detail account categories
- Chart of accounts in Lawson do not allow more detailed categories of revenue and expenses
- Property identification code does not exist in Lawson and therefore detailed property information is stored in multiple side spreadsheets or Access databases

2.62.3 Dependencies

Property management software by Yardi or other comparable product should be evaluated. Requiring third-party managers to use PDC's property management software should also be evaluated.

2.63 Mitas application will require significant modifications to accommodate full integration with Lawson

2.63.1 Description of Process

Interfacing of Mitas financial information occurs only once a month to Lawson. The mapping of the information is done via a “GL Translator” setup in Mitas and as such, it presents month-end balance amounts only. This information is generally out-of-date immediately after month-end.

2.63.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

- One of the key characteristics of the current implementation of Mitas is that its interface with Lawson GL is designed to be executed only once a month. As a result, encumbrances of funds created by loans are never up to date in Lawson except at month end.
- Transactions as currently booked to Lawson from Mitas are not what are currently needed. Entries appear as expenditures instead of encumbrances. It is difficult to have clean interface when transactions in Mitas don't flow according to 1) Receipt 2) Disbursement 3) Adjustment
- In addition, Mitas has some critical limitations in its database design. One of them is due to limited field sizes – Mitas' GL coding structure is made of fields limited to only four digits per field
- Another technical limitation of Mitas is its underlying database architecture - Pervasive SQL (previously Btrieve). This is not a commonly used technology and will in the long run limit PDC's ability to contract or acquire resources with the necessary technical skills for support or development
- During the progress of the project, Mitas Group, the software vendor, demonstrated an unwillingness to cooperate or share information that would have been helpful in better assessing the system's capabilities. As a small family operated business, they appear to be lacking technical and human resources for providing a solution that can be easily integrated into an ERP system

2.63.3 Dependencies

A replacement loan servicing product should be evaluated.

2.64 Splitting of Housing to PHB

2.64.1 Description of Process

As the Housing Department splits out from PDC, housing data will need to split into its own section of Mitas data and programs.

2.64.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

- After the split of Housing is completed, the processing in Mitas will consist primarily of grants. This change in focus can have an impact in the end user processing procedures.
- Mitas maintenance costs are very high for the number of loans that are currently being processed by PDC.

2.64.3 Dependencies

A new loan servicing product should be evaluated.

2.65 Creation of PDC Annual Performance Reports require a great deal of manual manipulation of data.

2.65.1 Description of Process

ACT is currently being used as the source system for performance metrics on financial services products. Basic process involves extracting data from ACT and formatting in Excel for reporting.

2.65.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

- ACT! cannot add - so it has to be extracted to excel for totaling and reporting there - very manual cumbersome to manipulate in excel since ACT! cannot perform calculations. ACT! extracts are very flat. Multiple loans per customer are on separate lines. ACT! cannot aggregate information
- Annual ratios are calculated manually instead of a dashboard or an automated system process. Values for ratios are entered directly on the report (i.e. 1:7) and this often makes statistical analysis possible only by referencing the source documents.

2.66 Information in ACT does not properly align with Mitas.

2.66.1 Description of Process

Performance reporting includes information on loan pipeline and loan commitments. Data is extracted from both ACT and Mitas.

2.66.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

- Footnotes on financial reports addressing leverage may be overstated – it is hard to analyze projects/customers receiving multiple types of funding.
- Hard to determine when and if an encumbrance will actually be relieved
- ACT! captures loan commitments. Don't know if/how much actual closed amounts differ
- Mitas holds a lot of attributes for housing, but not for loans. If it can do this for Housing, then possibly it can do the same for loans to allow more extracts from Mitas instead of ACT!

2.67 Unable to perform deeper analysis on loans due to the lack of an integrated system

2.67.1 Description of Process

In the current system architecture, loan pipeline and loan applications are tracked in ACT! After it is approved, loan information is entered in Mitas for servicing and disbursement processing.

2.67.2 Analysis of business concepts, gaps in data model, and addition of missing concepts to data model

- Time analysis is not possible with the existing data structure in ACT!
- Loan disbursement and application amounts are stored in different systems and not available for comparison or analysis
- Loan and customer information is not aligned between systems.

3 Updated Business Terms

The following is an explanation of the business terms referenced in this document.

3.1 AC07 Form

Account Assignment form. Used to assign which GL Accounts are allowed for which AC10 Activities. This is the way to restrict which accounts are allowed for which activities.

3.2 AC10 Form / Posting vs. Summary Activity

Form that a Lawson Activity is created. A Lawson activity can be either Posting or Summary. Posting activities are part of the coding block that is used to record/post an entry to an activity. Posting Activities roll up to a Summary Activity in the AC Structure.

3.3 Activity

Built in AC10 form of Lawson – represents the “activity” in the Project and Activity Module of Lawson, or the rough equivalent of a “cost center/project” in AC. An activity may either be a posting activity or a summary activity.

3.4 Activity (AC) Allocations

Similar to Cost Allocations (CA) below that allocates for GL balances, Project and Activity Accounting (AC) has its own allocations that can allocate based on Activity balances outside of the CA Cost Allocations for General Ledger.

3.5 Appropriated

An amount authorized by a legislative body for a program or to make expenditures and incur liabilities for a specified purpose.

3.6 Appropriations budget

The legislatively approved budget that grants expenditure authority to departments and other governmental units in accordance with applicable laws.

3.7 Budget Tracker Sheets/Budget Translators

Off-ledger spreadsheets or databases that track detail further than currently tracked in Lawson. These are in many cases opportunities to use Lawson Activities in more detail now to allow for this to be tracked and stored in Lawson to replace the budget tracker offline tracking sheets and databases.

3.8 BuDS

The current system that holds and maintains the budgets before being interfaced to Lawson GL and AC for storage and use there.

3.9 Dashboard

At-a-glance look at data from a system. A dashboard can be setup in LBI and also already exists in Project Portfolio.

3.10 Data Warehouse

This term is used loosely here at PDC to mean tables of data collected from other sources. This is not meant to be a data warehouse from Lawson's ability to create a data warehouse.

3.11 Enterprise Content Management (ECM)

Software to store and distribute scanned images and content.

3.12 FB11 Form

Lawson's Budget Edit Group Form. Used to setup GL budget edits in a variety of ways in the GL Structure.

3.13 GLTRANS Table

The Lawson Table that contains debit and credit transactions in Lawson.

3.14 Lawson

Lawson is the Enterprise Resource Planning (ERP) software used by PDC to track Accounting, Projects, Procurement, Payroll, etc. The main benefit from the proper use of an ERP is to be the system of record that ties multiple areas together with drill around and other features to help with the tight integration of data. Drill Around is Lawson's feature to allow drilling from one area such as GL into source data within Lawson such as a PO according to security settings put in place.

3.15 Lawson AM

Asset Management Module. This module stores fixed assets. Assets stored in this module can be depreciated and grouped for reporting. Entries can be sent to the General Ledger to record the resulting asset addition, disposal, transfer, depreciation, etc.

3.16 Lawson AP

Accounts Payable Module. This module records, reports and pays invoices due to payable vendors. This module interacts with the Lawson Matching (MA) module by matching an AP invoice to a Purchase Order and Receipt from PO. This module updates the General Ledger with payable liability detail reports in AP.

3.17 Lawson CB

Cash Ledger Module. This module provides capability to track cash detail entries from AP for payments, AR for receipts, and directly to Cash Ledger for miscellaneous receipts and payments to bank accounts. Reporting by bank, bank account, currency are features of this module. Bank Reconciliations are the byproduct of a properly planned setup of Lawson Cash Ledger.

3.18 Lawson Commitments

In Lawson, commitments are tracked in a commitment table instead of booking debit and credit entries that would appear as a transaction in GLTRANS tables. Commitments are the way that Lawson records that a transaction is committed but not yet posted as an actual expenditure or entry. Commitments can be tracked by Lawson System Code. For example, RQ is the System Code for Lawson Requisitions. So, when an RQ10 is entered to create a requisition in Lawson and the entry is released, it becomes an RQ commitment in Lawson when Lawson is set to track a commitment. For a purchase order, it would be the PO System. Once the entry is posted to GL it becomes a GL actual and an AC Commitment. Once the entry is posted to AC the commitment is totally gone and becomes only an actual.

3.19 Lawson MA

Matching Module. This module provides matching of an AP invoice to a Purchase Order and Receipt from PO. When an AP invoice is properly matched the AP Commitment is relieved and an AP Actual entry is ready to interface to the General Ledger for posting of an actual entry into GL.

3.20 Lawson PO

Purchase Order Module. This module is for recording and reporting purchase orders. Lawson's commitments can be set to use the information in this module to record PO commitments for Lawson AC and or Lawson GL.

3.21 Mitas

The current software used by PDC to track loans, financial assistance, and loan servicing. Loan servicing is the process of calculating interest and payment amount, processing the collection of payments, and other features of maintaining a loan once the loan is initially funded or the credit line is opened up.

3.22 Pipeline

The pipeline is defined as leads from customer contacts that have yet to become full commitments but are tracked; mostly in Act! or side spreadsheets. At PDC currently this could represent possible future legal commitments but still are short of a full commitment. Another term used at PDC for pipeline is pre-commitment, as distinguished from a full commitment.

3.23 Statistical Accounts

Accounts setup to track statistical data such as payroll hours, building square footage, number of clients served, etc. These statistics can be setup as "statistical accounts only" in Lawson, or they can be setup to be associated with existing accounts already set up to track dollars, such as allowing statistical hours to be tracked in payroll accounts that already track (salary) dollars.

3.24 Under Spent

Not spending all of the funds appropriated during the fiscal year.

3.25 URA

Urban Renewal Area

**EXHIBIT E to the PERSONAL SERVICES CONTRACT for
Financial Systems Consolidation and
Lawson Projects and Activities Module Implementation**

FINANCIAL SYSTEM CONSOLIDATION ASSESSMENT – CONSOLIDATED FUTURE STATE ANALYSIS

**EXHIBIT E to the PERSONAL SERVICES CONTRACT for
Financial Systems Consolidation and
Lawson Projects and Activities Module Implementation**

PDC

PORTLAND DEVELOPMENT COMMISSION

***Financial System Consolidation Assessment
Consolidated Future State Analysis***



THE REVERE
GROUP
an NTT Data Company

July 15, 2010

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REVISION CONTROL

Version Number	Brief Description of Change	Author(s)	Date of Issue
DRAFT 1	Initial Document	Jimmy Chen	July 7, 2010
DRAFT 2	Bill's Comments and Edits	Mark Silva and Jimmy Chen	July 8, 2010
DRAFT 3	Corrected number mapping from separate future state docs to combined future state docs	Mark Silva	July 14, 2010
VERSION 4	Corrected number mapping from separate future state docs to combined future state docs	Mark Silva and Jimmy Chen	July 15, 2010

1 Introduction

1.1 Purpose

The purpose of this document is to provide PDC with future state recommendations to address the pain points identified by The Revere Group and PDC in the current state. This document will outline the following for each pain point to be address:

- Description of Current State Process
- Description of Future State Process
- Impact on Lawson Configuration
- Impact on Business Procedures
- Anticipated Benefits
- Tasks for implementation
- Estimated Effort and Costs
- Recommended Timing

1.2 Executive Summary

1.2.1 Eight Main Issues:

There are eight main themes of issues that are causing most of the pain points listed below in this document. Many of the pain points won't go away unless all eight issues are corrected together; i.e. the issues are interdependent. If seven of the eight issues are corrected then the remaining uncorrected issue could still cause the need to use side tracking sheets (translators) and other means to work around the issue because part of the cause of the side tracking spreadsheets (translators) still would remain. The grid in Appendix A lists all the pain points in relation to the eight main issues. Most of the issues relate to all or most of the issues but we have checked the main issues for each pain point.

The eight main issues as included in the table below are as follows:

- 1) Alignment
- 2) Depth of Activities (AC)
- 3) Not Current
- 4) Interfaces – Double Entry
- 5) Commitments
- 6) Future-year commitments
- 7) Business Rules
- 8) ACT! Database

Storefront Example:

Side tracking sheets (translators) are common because all eight issues above exist. A great example of this is in the Storefront side-tracking spreadsheet (translator). In addition to this Storefront example side tracking spreadsheets (translators) also get used for projects – like Interstate Corridor URA Parks and like Lents Town Center Redevelopment. Storefront entries are currently in Lawson without the detail required to produce the information kept on the “side-

tracking spreadsheet (translator)". As a result spreadsheets are kept to break the data kept in Lawson into more detail. Lawson keeps the data at the high level of Financial Assistance. However, the spreadsheet breaks it down to Storefront, then to URA by Excel Tabs, then to each Storefront client as a row on the Excel sheets/tabs. This data has to be rekeyed into Excel, reconciled to the totals in Lawson and maintained. Lawson Activities is designed to prevent the need to use a side tracking spreadsheet (translator) by allowing Lawson to track the detail required. Lawson AC can be setup to allow the data to enter Lawson already broken down to the level of detail needed for reporting when the effort required to do so does not exceed the value of the data achieved.

Storefront Interstate 370-308-160-H27001							
2	Budget Past FY	\$ 342,203.42	Design Committed Past FY	\$ 31,608.50	SIP Committed Past FY		
3	Budget FY 2009-2010	\$ 400,000.00	Design Committed 09-10	\$ 44,950.00	SIP Committed 09-10		
4	Budget Total	\$1,000,000.00	Total Design Committed	\$ 76,558.50	Total SIP Committed		
5	Total Available Budget	\$ 86,805.47	Total Design Disbursed	\$ 64,836.70	Total SIP Disbursed		
6	<i>Design Assistance</i>						
7	Project Name	Grant Number	Architect	Committed Past FY	Committed FY 09-10	Disbursed	Undisbursed
8	Totals			\$ 31,608.50	\$ 44,950.00	\$ 64,836.70	\$ 11,721.80
9							\$ -
10	Accurate Window & Door		Formwest Architecture	\$ 2,481.00		\$ 2,481.00	\$ -
11	Adaptive Construction 18	106447	Outside Architect		\$ 1,850.00		\$ 1,850.00
12	Adaptive Construction 245						\$ -
13	Adaptive Development 3961	106151					\$ -
14	X Advanced Finishing Sytems, In	106367	Scott Edwards Architecture	\$ 2,900.00		\$ 2,900.00	\$ -
15	Albina Woman's League	106561	Emerick Architects	\$ 3,200.00		\$ 3,200.00	\$ -
16	Alcantar & Associates	106212	Waterleaf Architects	\$ 3,800.00		\$ 3,614.30	\$ 185.70
17	X Allen Family	106249	Lundin Cole Architects	\$ 780.00		\$ 780.00	\$ -
18	Atomic Pizza	106115					\$ -

Storefront example by the eight causes:

- 1) **Alignment:** If the Budget group budgets at the Storefront or financial assistance level and the Storefront budgets are reported in the Excel "side-tracking spreadsheet (translator)" sheet at the top level and the Storefront level then this is due to an alignment issue between budgets in PDC's Budgeting Software (BuDs) and Lawson Activities (AC).
- 2) **Depth of AC:** Lawson has up to five levels that can be used in AC. For Storefront the bottom level can be for each Storefront. Then all Storefronts related to one URA would roll up one level to "summarize" at that URA summary, then to the next level up to summarize all of the URA's into Storefront's top level summary report. Using this depth "takes the place" of the rows in the Excel "side tracking spreadsheet (translator)" sheet and the URA summary takes the place of the tabs in Excel by URA, and the top level summary takes the place of the Storefront Summary Spreadsheet tab. Best of all, with proper setup the detail always rolls up correctly without the need for painstaking reconciliations.
- 3) **Not Current:** If interfaces remain monthly as they are now then the "side tracking spreadsheet (translator)" is still needed just to solve having current budget against actual and commitments. A daily interface would solve this "reason" for a side "side tracking spreadsheet (translator)".
- 4) **Interfaces/Double Entry:** Entry to Excel is required that could be prevented if the "side tracking spreadsheet (translator)" were no longer needed and eliminated.

- 5) **Commitments**: Currently Commitments (please see section three for definition of Pipeline, Commitments and Encumbrances) are not in Lawson on a daily basis in all cases – such as for the commitments input from Mitas monthly instead of daily. Having these in Lawson daily is critical to have a daily accurate and up to date report from Lawson AC.
- 6) **Future year Commitments**: The Storefront “side tracking spreadsheet (translator)” is currently tracking which commitments are for which fiscal year and reporting accordingly. This information is currently lacking from Lawson – so without this coming out of Lawson the “side tracking spreadsheet (translator)” would still be needed.
- 7) **Business Rules**: Clear business rules are needed to achieve resolution to many of these eight issues. For example, rules regarding what a project is are needed to achieve consistency of how a project is setup in Lawson AC.
- 8) **ACT! Database**: The current database makes it difficult to obtain the Pipeline amounts from ACT! where it currently resides. For example, data tables don’t currently allow for multiple records for one entity, making mining data from ACT! more of a challenge for financial reporting. ACT! is a CRM and was not specifically designed to contain financial data such as pipeline but has been modified to do so. The ACT! tables can be used to show how much money is in pipeline in ACT! so this can be reflected in the replacement report to the existing Excel “side tracking spreadsheet (translator)” report.

Must address all eight main issues – not just some:

The Storefront example below is a prime example of Excel “side tracking sheet (translator)” sheets being maintained. The “side tracking sheet (translator)” cannot be replaced or eliminated without addressing all of the eight issues. If you remove most issues but not all issues then the “side tracking sheet (translator)” would still be needed since all individually contribute to the need to have a “side tracking sheet (translator)”. Additionally, the lack of clear definition of budgeting level and confusion with how the word “PROJECT” gets used are issues that should be specifically included. We budget at a given level but it is not consistently at the “project” level. This is the root cause of the lack of **alignment** of our budget-to-project data. If we correct the business rules regarding the budget level and clarify the relationship between the budget allocations and the projects, the alignment will naturally follow. The budgeted amount is an aggregate amount and may contain numerous projects. These “projects” then, are what should be entered into and align with AC.

1.2.2 Other Pain Points

System	Pain Point	To be Addressed By FSCA
Lawson	Lawson Activities (AC) and General Ledger (GL) is not currently set to book debit and credit entries – instead it’s simply tracking “commitments” which lack historical transactional reporting ability	Y
Financial Warehouse	Changes to Lawson can and do result in problems in the financial data warehouse – so any changes will need to consider this	TBD
Overall	Up-to-date current cash and budget balances are not available from current systems	Y

System	Pain Point	To be Addressed By FSCA
Overall	Comprehensive project management financial reporting is not available from current systems and configurations	Y
Overall	Proper recording of encumbrances by year needs coordination of business processes between Budget, Operations, and Accounting	Y
Excel	Detail financial reporting is lacking in Real Estate because they are working in excel	Y
Lawson	Not using AC Allocations or GL/CA Allocations when possible if statistics and other data were brought into Lawson.	Y
Overall	Need daily interfaces to Lawson to track cash, budget, pipeline, encumbrances, commitments	Y
Overall	Need to make sure budgeting is properly available downstream	Y
Lawson	Capitalization of property is a manual process, as is the allocation of costs to consistent property ID's (linkage to what is in the real-estate database).	Y
Lawson	Timing of encumbrances (current year vs. future years) is not available through system reporting which can result in over-borrowing	Y
Lawson	Can't tell when encumbrance will be expended – need to know which fiscal year the encumbrance is for.	Y
Mitas	Receivables are not always captured and/or available through systems reports in manner that facilitates tracking and/collections by PDC	Y
Overall	Lack of consistency for Project Numbers between BuDS, Project Portfolio and Lawson AC	Y
Buds	Double Maintenance – any new coding block setup in Buds or Lawson must be keyed into both systems for the Buds to Lawson interface to load without error. This includes adding a fund, program, project, etc.	Y
Lawson	Can sometimes be difficult to decide on an activity number that is acceptable to Budgets and Accounting and get both to agree each time a new activity or part of the coding block is added.	Y

System	Pain Point	To be Addressed By FSCA
Mitas	Mitas is not updated to Lawson promptly enough	Y
BuDS	BuDS keeps some detail at a lower level than Lawson ie: Travel might be broken down deeper in BuDS and rolled into a higher level in Lawson's budget.	Y
Lawson	The purchase order form (PO20) lacks expiration date – need to manually maintain/review PO's as a result to avoid making a payment to a PO associated with an expired contract	N – This has been pursued by PDC with Lawson. This is a Lawson system limitation compared to Professional Service's requirements with a proper work around in place.
Lawson	Multiple PO lines can cause AP Matching problems, especially when AP invoice lacks line item detail according to PO lines setup	N – If more PO lines are used and the AP invoice does not have lines to match this would naturally cause matching issues as a result.
Lawson	Lack of workflow and document imaging now creates a lot of manual paperwork – but implementing workflow should help resolve this.	N – Implementing workflow properly would remedy this issue.
Financial Warehouse	PO line distribution multiline can cause warehouse problems – but might need more PO's or multiline PO's to accommodate more AC detail in AC.	N – If changes to Lawson's setup cause problems in the current data warehouse then correcting the warehouse would be outside of the scope of this project.
Lawson	Encumbrance accounting and reporting.	Y
Lawson	Flexible Services Database exists causing people to have to go to two places to get Contract information.	Y
ACT! Mitas	Creation of PDC Annual Performance reports require a great deal of manual manipulation of data	Y
ACT! Mitas	Information in ACT! does not readily align with Mitas	Y
ACT! Mitas	Unable to perform deeper analysis on loans due to the lack of an integrated system	Y
MS Access / Excel	Property management information is not available to staff outside of Real Estate Management	Y
MS Access / Excel / Paper	Tenant Accounts Receivable information is not available	Y
MS Access / Excel	Detail revenue and expense information is not available	Y
Mitas	Mitas application will require significant modifications to accommodate full integration	Y

System	Pain Point	To be Addressed By FSCA
	with Lawson	
Mitas	Splitting of Housing to PHB	N

1.3 How the content of this document was developed

The contents of this document were developed through the following:

1. Interviews with PDC Staff Including
 - a. Bill Blauvelt
 - b. Jane Kingston
 - c. Faye Brown
 - d. Tony Barnes
 - e. George Cornett
 - f. Larry Beckett
 - g. Paula Edwards
 - h. Linda Andrews
 - i. Sharon Meross
 - j. John Matschiner
 - k. Ember Breckenridge
 - l. Kristy Branson
 - m. Alfred Bookman
 - n. Amy Fleck-Rosete
 - o. Becki Marsh
 - p. Betsy Chase
 - q. Fred Atiemo
 - r. Kate Staples
 - s. Lois Cortell
 - t. Nixie Stark
 - u. Sierra Gardiner
 - v. Terri Morgan
2. Meetings with Jane Kingston
3. Meetings with Bill Blauvelt
4. Meeting with Faye Brown, Tony Barnes and George Cornett
5. Meeting with Linda Andrews
6. Email questionnaire filled out by Faye and Tony
7. Demonstration of Project Portfolio application by Lois Cortell
8. Demonstration of ACT! by Kate Staples
9. Demonstration of BUDS by Larry Beckett and Paula Edwards
10. Review of Lawson current setups including budget compare BuDS to Lawson (GL293)
11. Lawson Business Procedure Review (BPR) document review meetings with Accounting.
12. Reviews of current documentation provided by PDC
13. Reviews of systems associated with each business process
14. Reviews of all databases and reports associated with each business process

2 Pain Point Description & Future State Recommendations

2.1 Lawson AC and GL is not currently set to book debit and credit entries for encumbrances and commitments – instead it’s simply tracking “commitments” which lack historical transactional reporting ability

2.1.1 Description of Current State Process

The standard functionality of Lawson AC and GL is designed for tracking commitment transactions and balances, not as journal entry debit and credit entries. Historical tracking has been an issue since the tables to track commitments can be changed depending on how the PO line changes. If a PO line is “changed” by adding new lines, then “history” can be preserved and a record of what has changed is easier to see.

2.1.2 Description of Future State Process

The current version of the Lawson Financial suite (primarily GL and AC) is not designed to capture the detail commitment transactions in the form of journal entry debit and credit entries. However, the future state recommendation includes two major components that will provide a level of detail far greater than what is currently available: (1) the re-implementation of the Lawson AC module with a structure that will allow for greater depth of reporting (detail and summary levels) and the development of daily processes between the Loan System and Lawson so that the detail loan transactions will be interfaced between both systems. Lawson’s method for tracking commitments and encumbrances as described here will not record debit and credit entries. The amounts for commitments and encumbrances will be stored in a separate tables separate and apart from the GLTRANS and ACTRANS tables that store debit and credit actual transactions. LBI reporting and standard Lawson reports and inquires can be used to track the commitments and encumbrances alongside of the debit and credit actual transactions.

2.1.3 Impact on Lawson Configuration

Detail description of the new Lawson configuration is provided in a separate Lawson AC Proposed Design document. Any changes to Lawson AC will need to consider the design and modifications connected to the Time Management System that is live.

2.1.4 Impact on Business Procedures

Procedures will need to be developed and documented for the process of reviewing and reconciling transactions between the Loan System and Lawson AC/GL.

2.1.5 Anticipated Benefits

The most significant benefit of the new implementation is that a greater level of detail of loan transactions will be available in Lawson. Every loan closing, disbursement, and payment will be captured in Lawson.

2.1.6 Tasks for implementation

The scope for the implementation of Lawson is described in section 1.2 (Executive Summary of this document).

2.1.7 Recommended Timing

Timing of implementation is described in Section 1.2 (Executive Summary of this document).

2.1.8 Dependencies

Dependencies for the implementation are described in Section 1.2 (Executive Summary of this document).

2.2 Changes to Lawson can and do result in problems in the financial data warehouse – so any changes will need to consider this

2.2.1 Description of Current State Process

The financial data warehouse currently in use depends on data format and configuration being fairly consistent from Lawson. When setup changes occur it can cause issues in the data warehouse. Using Lawson's data warehouse from LBI would be one potential solution to this.

2.2.2 Description of Future State Process

The current recommendation will result in Lawson being the source of truth for all detail and financial information. This will be accomplished by the development of the new structure and configuration of the AC module and the daily interfaces between the Loan System and Lawson. As a result, Lawson's LBI product will be the platform for reporting and consequently, the current financial data warehouse will be replaced.

2.2.3 Impact on Lawson Configuration

Detail description of the new Lawson configuration is provided in a separate Lawson AC Proposed Design document.

2.2.4 Impact on Business Procedures

New procedures will be created for the creation and distribution of financial reports.

2.2.5 Anticipated Benefits

The Lawson financial suite will become the single source of truth for all financial information (except for loan pipeline, which will continue to be captured and reported from ACT!).

2.2.6 Tasks for implementation

The scope for the implementation of Lawson is described in section 1.2 (Executive Summary of this document).

2.2.7 Recommended Timing

Timing of implementation is described in Section 1.2 (Executive Summary of this document).

2.2.8 Dependencies

Dependencies for the implementation are described in Section 1.2 (Executive Summary of this document).

2.3 Up to date current cash and budget balances are not available from current systems

2.3.1 Description of Current State Process

Two of the core financial systems at PDC (Mitas and Lawson) are integrated only once a month (from Mitas to Lawson). Reporting on current cash or fund balances requires a great deal of manual process to extract and format data from multiple systems.

2.3.2 Description of Future State Process

This pain point is addressed by the solution described in section 2.11 of this document.

2.4 Comprehensive project management financial reporting is not available from current systems and configurations

2.4.1 Description of Current State Process

Detail project management financial information is tracked via side spreadsheets and is not visible to the organization as a whole.

2.4.2 Description of Future State Process

This pain point will be addressed by the solution described throughout all future state documents. Lawson will be the single source of truth for all financial information.

2.5 Proper recording of encumbrances by year needs coordination of business processes between budgets, operations and Accounting

2.5.1 Description of Current State Process

Lack of policy about encumbrances that cross fiscal years has been the source of confusion. Policy agreement and enforcement from Budget, Accounting, Professional Services, and UDD would help solve this important issue.

2.5.2 Description of Future State Process

Lawson has the standard functionality where future dated requisitions and purchase orders can be entered and as a result future-dated commitments or encumbrances can be reported. Detail description of the solution is addressed in the section 2.11 of this document.

2.6 Detail financial reporting is lacking in Real Estate because they are working in Excel.

2.6.1 Description of Current State Process

This was answered in the Real Estate Services Document.

2.7 Not using Allocations from either AC Allocations or CA Allocations when possible if statistics and other data were brought into Lawson

2.7.1 Description of Current State Process

Lawson has two allocation modules, one as part of the Activity (AC) Module, another for the General Ledger module called Cost Allocations (CA). These modules can be used for more than just a standard allocation. In addition to using these modules for a standard allocation, it is possible to have Lawson create entries based on calculations automatically. The calculation can be based on a statistic if statistics are loaded into Lawson. The statistic can be used in calculations against balances or calculations of balances to derive an entry that could be currently calculated on a spreadsheet and entered into the system as a manual journal entry currently. PDC has the desire to use full Cost Accounting in AC.

2.7.2 Description of Future State Process

Lawson entries should be reviewed in the implementation for any calculations done in excel against a statistic and balance to calculate an entry for Lawson. These types of entries should be considered for Lawson's Cost Allocations. Cost Allocations can be created for entries based on GL Balances and maintained in the Cost Allocations (CA) module. Cost Allocations can also be created for entries based on AC Balances and maintained in the Cost Allocations portion of the (AC) module. The key to making this a benefit to PDC is to load statistics via interfaces from other systems that can be then used by Lawson to automatically create calculated entries and post to the GL and or Activity modules. Not only does this automate the entries – it also provides more detail online about the statistics and calculations used to create the entries. This is in addition to any standard allocations that PDC is already considering, such as the budget allocation project currently underway.

2.7.3 Impact on Lawson Configuration

Statistical values may need to be added to the GL Chart to accomplish automated calculated entries as described here. Some adjustments to accounting units are sometimes needed as well to facilitate the allocations. Reporting tools can also create reports similar to the allocations described. The advantage of the allocation module is that an entry results instead of just a report.

2.7.4 Impact on Business Procedures

This would provide a shift towards automating data into Lawson and allowing more of the detail calculation to be transparent within Lawson instead of in Excel Spreadsheets. It would also help facilitate a standard entry that is done consistently and in an automated allocations module.

2.7.5 Anticipated Benefits

- Increased Consistency in entries
- Increased Automation of entries
- Increased visibility of entry calculations and of the statistics behind those entries
- Ability to require these entries in the GL before GL can be closed
- Automation reduces manual monthly tasks and ensures that entries are not overlooked

2.7.6 Tasks for implementation

- Review monthly/quarterly/annual Journal Entry listing for candidates for new allocation entries
- Consider statistics and weigh cost benefit of automating entry vs. effort to get statistics into Lawson
- Select entries that need to be setup along with statistics to be added
- Add entries and statistics after testing first in a test product line

2.7.7 Recommended Timing

Immediately.

2.7.8 Dependencies

Only as listed in implementation tasks.

2.8 Need daily interfaces to Lawson to track cash, budget, pipeline, encumbrances and commitments.

2.8.1 Description of Current State Process

Daily Mitas interfaces are critical to get information from Lawson that is timely enough to prevent the need for side spreadsheet and off ledger tracking. This is closely related to 2.3 and 2.4 but is specific to interfaces. Other interfaces outside of Mitas may also be needed daily – but without a doubt Mitas is the key interface for this topic currently.

2.8.2 Description of Future State Process

The development of daily interfaces between the Loan System and Lawson are fully detailed in Appendix B of this document.

2.9 Need to make sure budgeting is properly available downstream to Accounting.

2.9.1 Description of Current State Process

Currently budgets are broken down into more detail outside of Lawson in Budget Tracker Sheets. Because these are off ledger and not in the financial system, not everyone can easily see this “downstream” budgeting. This also applies to the production of the CAFR and related financial audit.

2.9.2 Description of Future State Process

The re-implementation of the Lawson AC module will result in the ability of tracking budget and actuals at the different summary and detail levels as required by PDC. Detail description of the new Lawson configuration is provided in a separate Lawson AC Proposed Design document. Accounting will be able to use this information for detail for support and audit inquiries, while continuing to produce the CAFR based on GL transactions.

2.10 Capitalization of property is a manual process and the allocation of costs to consistent property ID's (linkage to what is in the real-estate data base).

2.10.1 Description of Current State Process

Currently, PDC does not utilize Lawson functionality that AC provides to collect and then capitalize assets using the AC160 program to capitalize the "collected" data from AC to create a new asset in the Lawson AM system. Instead a manual process exists.

2.10.2 Description of Future State Process

The reimplementation of Lawson Activities includes each Real-Estate property from the Real Estate database as an Activity in Lawson Project and Activity Accounting. This will facilitate each property being treated as a project by Real Estate in Lawson AC to allow for financial data to be tracked in at least one Activity for each Real Estate Property.

The property ID will continue to be used as an asset identified in the Lawson AM system. Real property can be linked from Lawson's Asset Management (AM) module back to the property database by using a field in AM to link back each asset that already exists and as they are created going forward.

Capitalizing assets by collecting costs in Activities and then using the AM160 Capitalization program to create the Asset in Asset Management is standard Lawson AC functionality. This feature works well when collecting costs that will clearly be capitalized based on cost collected, such as this FSCA Lawson project itself. For the FSCA, project costs should be collected in one or more activities and then when ready AC160 can take the collected costs and create the new asset in Asset Management to include those collected costs. However, many real estate purchases collect costs in activities that would need to be adjusted prior to simply taking the collected costs and creating an asset from those costs, i.e., not all costs can be capitalized. As a result, there may be limited use for collecting costs to capitalize a Real Estate purchase because of the added complexity in determining the correct cost for recording the asset in AM outside of the actual collected costs. Accounting's Capitalization Rules may need to be reviewed and evaluated to see how new system functionality fits the rules and how they are implemented. There is also the issue of collecting costs with a GAAP and GASB perspective to asset capitalization rules when many of the activities involved might instead prioritize phases of a Project Portfolio project instead of asset capitalization rules when coding to one activity vs. another. As a result, it is recommended that Asset Capitalization (AC160) be used, but with these real limitations to collecting asset costs that may not be the unadjusted amounts to capitalize. With that said, it is possible to still make the adjustments within the activity to still book the adjusted value as a result, using the collected cost details to aid in arriving at the eligible capital amounts.

Reconciliation between Activities (AC) and General Ledger (GL) can be streamlined by setting the GL Accounts to require activities on the GL side of the transaction. Then, in the GL Accounts Form (AC07), the account to be capitalized can be the only account allowed for that activity and account category. These settings will ensure that the GL requires an activity for the entry and the AC07 only allows the account for capitalizing. By setting these restrictions, reconciliation is as easy as a query to the General Ledger Table (GLTRANS) to confirm that all accounts contain the corresponding activity for capitalizing and that everything in that account

range was indeed capitalized with the AC160 Capitalization program when capitalized requiring activities for an activity that is collecting costs for capitalization. Restricting the use of AC40 is also helpful in this process to help assure that only entries with GL coding are allowed for this reconciliation procedure.

2.10.3 Impact on Lawson Configuration

Consideration to AC configuration is critical in being able to run the AC160 to capitalize assets according to what should become one or many assets in AM as a result. AM can have a field specified to hold the property identifier for linking to the Real Estate database held outside of Lawson in Real Estate.

2.10.4 Impact on Business Procedures

Using activities to capitalize assets and track assets will allow Lawson to become the source for calculating and keeping asset detail records when using AC160 to capitalize assets through activities.

2.10.5 Anticipated Benefits

- Better detail held within the system for capitalizing assets
- Better assurance that all costs are captured and brought to AM as one or more assets
- Congruity between Lawson AC, AM, and the Real Estate database, and therefore more consistency in reporting out of each of these sources.

2.10.6 Tasks for implementation

- Identify Activities that may need to capitalize assets and separate accordingly
- Plan for the use of AC160 capitalization when the asset is ready to capitalize
- Prepare the AM Template for use in the AC160
- Test the AC160 and the AM115 to finalize procedure
- Bring this feature live with the Lawson AC reimplementation

2.10.7 Recommended Timing

Immediate for planning steps and live with reimplementation of Lawson AC

2.10.8 Dependencies

None

2.11 Timing of encumbrances (current year vs. future years) is not available through system reporting which can result in over-borrowing

2.11.1 Description of Current State Process

Currently, encumbrances are entered without a clear and consistent set of policies and procedures. Examples include:

- An encumbrance is defined for the purpose of reserving funds but will not ever be fully expended.
- Encumbrances are created in a fiscal year for amounts that exceed what is expected to be expended in that fiscal year.
- A project is expected to last 3 years but information about when funds are expected to be expended is not readily available through system reports.

2.11.2 Description of Future State Process

Lawson has the functionality as currently configured in the live product line to account for future dated commitments. Lawson does accept future dated purchase orders that can act as a future fiscal year commitment in Lawson. It is recommended that PDC immediately start separating out these into fiscal year to resolve this important topic and record the purchase orders accordingly to separate out commitments by fiscal year once a business policy can be established and implemented to govern such cross-fiscal year transactions. Creation of daily complex interface(s) between the loan system and Lawson to facilitate encumbrances for loans, grants and such loan system transactions is critical. The interface(s) involved would be complex because triggers need to be built into the loan system and logic into the interface(s) to assure that Lawson gets the relevant information on the right day(s) to record encumbrances properly according to RQ vs. PO Lawson Commitments. Logic needs to be built into the interface(s) regarding changes to amounts as amounts change in the loan system and other complexities exist that need to be carefully built into the interface. Other considerations are how the changes are recorded in RQ and or PO within the bounds of how Lawson allows and disallows changes to these types of transactions.

Care must be taken to ensure that PDC is in compliance with GASB 54 regarding funding and liquidity. GASB 53 and 54 also impact transparency topics connected to reporting of funding and liquidity.

2.11.3 Impact on Lawson Configuration

None – already configured to accept future dated fiscal year purchase orders that can be tracked by fiscal year in Lawson. The future re-implementation of Lawson AC will allow more detailed level of such commitments as desired once Lawson AC is re-implemented.

2.11.4 Impact on Business Procedures

Requires additional coordination between Budget and Project Owners to help separate out amounts by fiscal year and record the amounts accordingly. Also requires a PDC-wide ability to stop using current year commitments as a way to “reserve” funds that might not be used before “someone else” gets the funds first. Such “reserving” can cause under expenditures for a fiscal year that can lead to the underperformance via under-spending by PDC for the fund(s) involved. PDC needs a policy or rule concerning the break out of current vs. future year commitments when

issuing a PO, contract or work order. Budget gave a great solution by suggesting that PDC can modify the Loan/Grant forms to indicate fiscal year encumbrance and then provide Professional Services with training on how to enter a future fiscal year dated encumbrance as one way to accomplish these encumbrances. According to the Budget department UDD already breaks out the budget by fiscal year in all Intergovernmental Agreements that UDD enters with City Bureaus. This will enable a quick review by budget (for sign-off) and something from which Purchasing can enter into the system.

2.11.5 Anticipated Benefits

- Enhanced accuracy in funds remaining amounts for the year and commitment amounts
- Less under-spending as a result of incorrect fiscal year commitments
- Better ability to budget for future fiscal years
- Better ability to plan for cash flow requirements and plan for cash financing needs more accurately
- More accurate reporting

2.11.6 Tasks for implementation

- Create business policies surrounding what is encumbered, when, for which fiscal year, etc.
- Identify expected expenditures by fiscal year.
- Separate out encumbrances by fiscal year and then record in Lawson PO by fiscal year
- Create Reports that utilize the newly recorded PO future year encumbrances for use

2.11.7 Recommended Timing

Begin steps immediately and implement as each step is completed.

2.11.8 Dependencies

Implement steps in order listed with no prior dependencies to implementation steps listed above.

2.12 Can't tell when encumbrance will be expended – need to know which fiscal year the encumbrance is for

2.12.1 Description of Current State Process

Currently there is no official policy in place on how to track when an encumbrance will be expended. See 2.11 above for further details on this pain point.

Please see 2.11 for future state discussion

2.13 Accounts Receivable (AR) not always captured and/or available through systems reports in manner that facilitates tracking and collections by PDC

2.13.1 Description of Current State Process

Budget pointed out that certain AR is not being properly tracked in the financial systems (example provided was DDA with PSU for the Payment in Lieu of Taxes (PILOT) Agreement related to the Doubletree Property).

2.13.2 Description of Future State Process

This type of AR is being tracked via complex spreadsheets by the Real Estate group. If there were a cost benefit to implement Yardi or another similar property management system then that system would track AR instead of the current Excel tracking used by Real Estate. That AR would then be included on the daily interface to Lawson's GL for financial reporting. There are control issues with tracking property management AR on a spreadsheet instead of tracking using an AR system. Lawson AR is not designed for Property Management and would not be the most effective solution to tracking this type of AR. Regardless of if a system such as Yardi is implemented for Real Estate AR it is critical that the AR amounts are recorded in Lawson's GL – regardless of method to get to Lawson, Interface or otherwise. Accounting must be made aware of such AR amounts to be able to record such amounts. If Lawson AR is implemented then such AR could be stored in that module and interfaced from Lawson AR to Lawson GL using standard Lawson programs.

PDC does have miscellaneous AR that is not part of Real Estate or Mitas that are currently tracked in Lawson's GL when Accounting is aware of it. One such example given is "Payment in Lieu of Taxes" which is related to a Development Agreement. This is not related to a real estate transaction and would not be picked up via a real estate AR system. The first issue here is to enforce business rules to assure that Accounting is aware of and is able to record such AR. Assuming this business rule is in place to assure that Accounting is made aware of such AR then the topic is how Accounting will track such AR. PDC owns Lawson's AR module but is not currently using the module. Lawson's AR module could be used to track AR. Currently such AR that Accounting is aware of is recorded in the GL. PDC should do an analysis to determine if the level of effort to implement Lawson AR is worth the benefit of replacing the GL based tracking of such AR currently. If it is determined to be worth the effort to implement Lawson AR, or some other AR system, then it should be implemented. If the current level of effort to track that AR in GL is considered so small as to not warrant implementation of an AR system then AR should not be implemented. Accounting control, need for creation of AR invoices, posting of payments, calculation of interest are all examples of consideration in deciding if implementation of AR would be warranted.

2.13.3 Impact on Lawson Configuration

An Interface is needed between Real Estate and Lawson but this does not specifically impact the Lawson Configuration for GL. The Lawson AC re-implementation as described in the UDD Document will impact the detail coded to Lawson Activities.

2.13.4 Impact on Business Procedures

If the current tracking in Excel is replaced with an accounting system such as Yardi then Real Estate's business procedures will change as a result.

2.13.5 Anticipated Benefits

Replacement of the Real Estate AR tracking in Excel with property management software would allow for better tracking of AR than the current Excel solution that would give better controls than are currently in place – but the cost to implement such a system needs to be considered to see if it outweighs the benefits from such a new system.

2.13.6 Tasks for implementation

- Interface from Real Estate to Lawson
- Possible system selection and Real Estate System Implementation
- Possible minor modification to chart of accounts

2.13.7 Recommended Timing

Pending cost estimates could begin implementation immediately.

2.13.8 Dependencies

Cost Estimate for cost benefit

2.14 Double Maintenance – any new coding block setup in BuDS or Lawson must be keyed into both systems for the BuDs to Lawson interface to load without error. This includes adding a fund, program, project, etc. Additionally, new accounting unit and project coding must also be entered in Mitas tables to facilitate data entry and interface capability.

2.14.1 Description of Current State Process

Setups are required to both systems to keep them in alignment. No interface currently exists to promote entering a setup once and having both systems properly aligned, causing the need to enter the same information twice to achieve alignment.

2.14.2 Description of Future State Process

Interfaces should be built to correct. With the plans to create more activities than in the past with the Lawson Activity re-implementation an interface for this would increase in importance due to the added volume of new Activities. Interfaces between BuDs and Lawson and Interfaces between Mitas and Lawson. Please see 2.42 for more details on Mitas Interface recommendation.

2.14.3 Impact on Lawson Configuration

No direct Lawson Configuration impact from building such an interface.

2.14.4 Impact on Business Procedures

This interface would prevent the need for the double entry and any resulting reconciliation of such double entry and reduce the impact of adding new activities to Lawson on a daily basis. Budgets would still be budgeting at a similar level in most cases – so many of the new activities loaded would be for actual amounts only.

2.14.5 Anticipated Benefits

Greater efficiency and accuracy from the interface.

2.14.6 Tasks for implementation

- Build and implement interface
- Adjust Activity Budget Codes in Lawson as a result of the coding replacement in AC.

2.14.7 Recommended Timing

Begin immediately since no dependencies except cost benefit analysis.

2.14.8 Dependencies

Cost benefit analysis

2.15 Mitas is not updated to Lawson promptly enough

2.15.1 Description of Current State Process

Lack of a daily interface is a major reason for many of the side spreadsheets and work-around procedures that could be eliminated if a daily interface were put in place.

2.15.2 Description of Future State Process

A daily interface is critical to daily balances requirement reported daily from Lawson. Mitas must be interfaced daily or daily reporting from Lawson would not be achievable and the reduction of side tracking spreadsheets would not occur.

2.15.3 Impact on Lawson Configuration

Interface should not have a direct impact on configuration but will have an impact on the volume of entries since the interface would create daily instead of monthly transactions.

2.15.4 Impact on Business Procedures

This will help result in using Lawson as the source of current data for all financial data on a daily basis.

2.15.5 Anticipated Benefits

Result in daily financial information from Lawson as a result of daily interfaces to Lawson.

2.15.6 Tasks for implementation

Build and implement interface

2.15.7 Recommended Timing

Pending re-implementation of Mitas or replacement.

2.15.8 Dependencies

Reimplementation of Mitas or replacement

2.16 BuDS keeps some detail at a lower level than Lawson, i.e.: Travel might be broken down deeper in BuDS and rolled into a higher level in Lawson’s budget.

2.16.1 Description of Current State Process

Currently budgets can have more detail in the BuDS system than is interfaced over to the Lawson system.

5/24/2010 – Mark Silva of Revere Group discussed this topic further with George Cornett in Budget & Financial Planning. Travel is not a valid example. However, Salaries and Wages are a rare example of where this scenario could actually exist. SALWAGES summary GL Account has all of the budget dollars in detail GL Account 4110-0000 – Salaries & Wages. Any other detail accounts falling into the SALWAGES summary GL Account, such as Vacation, Sick Leave, Jury Duty, etc. all have zero budget since the entire budget is captured under 4110 for all of these detail GL Accounts. This budget is calculated by downloading the information from Lawson payroll reports and keeping the detail in a “side spreadsheet” that can be referred to when more detail is needed. George said there have been no requests for greater detail across all of these detail accounts or he would know about it. George does not see a value in breaking this level of detail down to load to Lawson in more detail. This is the example of the rare situation where more detail could exist but not be loaded to Lawson FB.

2.16.2 Analysis of current source data, gaps, and areas that require changes and/or enhancements of current source data to fill gaps

When more detail exists there could be a benefit to bring that detail into Lawson to increase visibility of the budgets and tracking by line item in Lawson. Unless PDC states that this type of detail would be needed in Lawson then the assumption will be that this level of detail is not needed by PDC in FB.

Since both Accounting and Budget indicated that the Salaries and Wages example listed above were working for both departments this was listed as no longer a pain point as a result since Payroll, Budget and Accounting are cooperating on the topic and Budget could bring into Lawson in more detail if it were required by any of these departments.

It was suggested that this pain point be removed from this document – however it’s been kept in to assure documentation of where in the GL Account Structure this type of summarization currently exists – but it is acknowledged that this is not really a pain point for Accounting, Budget or Human Resources.

2.17 PO20 (Purchase Order Form) lacks expiration date – need to manually maintain/review PO’s as a result to avoid making a payment to a PO associated with an expired contract.

2.17.1 Description of Current State Process

While the Vendor Agreements form (PO25) has a field for expiration date, the Purchase Order form (PO20) does not have a Lawson standard field to help prevent payment on a PO after the related contract has expired.

2.17.2 Description of Future State Process

This pain point will not be addressed in the FSCA project. This has been pursued by PDC with Lawson. This is a Lawson system limitation compared to Professional Service’s requirements and a proper work around is currently in place.

2.18 Multiple PO lines can cause AP Matching problems, especially when AP invoice lacks line item detail according to PO lines setup.

2.18.1 Description of Current State Process

Matching difficulty can occur on occasion when too many lines are placed on the PO to split out coding. It can be difficult to match the AP invoice to the PO lines when the AP invoice is not created to easily match to those line items.

2.18.2 Description of Future State Process

This pain point will not be addressed by the FSCA project. If more PO lines are used and the AP invoice does not have lines to match this would naturally cause matching issues as a result.

2.19 Lack of workflow and document imaging now creates a lot of manual paperwork – but implementing workflow should help resolve this.

2.19.1 Description of Current State Process

Paper must move manually when approving. Professional Service’s implementation of workflows is expected to remedy this.

2.19.2 Description of Future State Process

This pain point will not be addressed by the FSCA project. Implementing workflow properly would remedy this issue.

2.20 PO line distribution multiline can cause warehouse problems – but might need more PO’s or multiline PO’s to accommodate more Activities (AC) detail in Activities (AC).

2.20.1 Description of Current State Process

Currently the “data warehouse” can be adversely affected when too many lines are entered into a Lawson PO that are subsequently adjusted since the warehouse is not setup to always accommodate such changes that have many PO detail lines.

2.20.2 Description of Future State Process

The assumption from this pain point is that the current data warehouse is not setup to accommodate multi-line purchase orders or the related changes to lines on a Purchase Order. LBI Reporting will replace the warehouse and as a result the issues related to the warehouse.

2.21 Encumbrance accounting and reporting

2.21.1 Description of Current State Process

Lawson currently lacks a debit and credit transaction based entry for encumbrances. Without debit and credit transaction based history PDC's ability to track historical encumbrances and any changes made to encumbrances difficult. If Lawson instead were set to record debits and credits as transactions to record encumbrances PDC's ability to track the historical transactions of encumbrances would be enhanced.

2.21.2 Description of Future State Process

The standard functionality of the Lawson AC module is to capture transactions from the various Lawson subsystems that have detail distribution records coded to a posting activity and classify them as commitments based on the status of the source transaction. The following chart summarizes the most common commitment update processes in the Lawson system (additional detail is provided in the UDD Future State document):

Sub-System	Description – Commitment Update
RQ (Requisition)	When a requisition is released
PO (Purchase Order)	When a purchase order is released
AP (Accounts Payable)	When an invoice is released

2.21.3 Impact on Lawson Configuration

The Lawson AC module will be completely re-designed to accommodate the overall financial reporting requirements at PDC. The UDD Future State document describes in full detail the new configuration of Lawson AC.

2.21.4 Impact on Business Procedures

As described in more detail in other sections of the Future State documentation, there will be significant changes in the business procedures as it relates to the definition and maintenance of all systems at PDC that contain financial information (Lawson, Mitas, ACT!, Property Management, Project Portfolio, etc.). Overall, a greater level of communication between PDC departments is required so that data consistency and accuracy can be realized.

2.21.5 Anticipated Benefits

The primary benefit is the ability to report up to date commitment and encumbrance balances for PDC's financial activities that are tracked through the Lawson AC system.

2.21.6 Tasks for implementation

Re-implementation of Lawson AC – details provided in the UDD Future State documentation. The scope of the project should include tasks to true up the existing requisitions and contracts to a go forward balance (reconciliation of Lawson commit tables).

2.21.7 Recommended Timing

Immediately.

2.21.8 Dependencies

As described in other future state documents, the design of the new Lawson AC structure needs to take into account the design or reconfiguration of all related applications (Mitas, Property Management, Project Portfolio, and ACT!).

2.22 Flexible Services Database exists causing people to have to go to two places to get contract information

2.22.1 Description of Current State Process

A database outside of Lawson is used to track Flexible Services Contracts with a link to the .pdf image of the document.

2.22.2 Description of Future State Process

The vendor agreement setup (PO25.1) has the ability to define attachments. The attachment feature is standard functionality across Lawson applications that allow for the maintenance of free-form comment information about the record or entity related to each form. In addition to text comments, the attachment setup allows for the input of a URL address which can link to any document or image that can be referenced in PDC's network.

Additional detail analysis is required to assess the reporting needs in order to decide whether the existing database can be fully replaced by the vendor agreement functionality in Lawson.

2.22.3 Impact on Lawson Configuration

Full impact will be determined after the detail data analysis of contract information. The attachment feature is a standard functionality.

2.22.4 Impact on Business Procedures

Procedures for the maintenance of PO25 data need to be revised to include the update of attachment information.

2.22.5 Anticipated Benefits

Potential benefit – elimination of a duplicate database.

2.22.6 Tasks for implementation

The following tasks need to be planned for the implementation:

- Loading of URL address for contract documents to the attachment screen – review the viability for creating a custom batch process for extracting and loading the information
- Detail analysis of reporting requirements
- Update workflow processes as needed

2.22.7 Recommended Timing

Implementation can be performed immediately or at any future time.

2.22.8 Dependencies

None

2.23 Creation of PDC Annual Performance Reports require a great deal of manual manipulation of data

2.23.1 Description of Current State Process

ACT! is currently being used as the source system for performance metrics on business financial services products. Basic process involves extracting data from ACT! and formatting in Excel for reporting.

2.23.2 Description of Future State Process

As a result of the system alignment recommendations addressed in section 2.31 of this document, a more comprehensive reporting environment such as Lawson's LBI should be deployed to report on data from multiple data sources.

In the future state, all financial information, other than pipeline, should be reported out of Lawson AC. It will be necessary as part of the implementation of the Lawson AC application to perform a detailed analysis to determine the data elements to be incorporated in order to capture the appropriate performance metrics.

2.23.3 Impact on Lawson Configuration

The Lawson system has two options for capturing performance data for reporting purposes: GL statistical accounts or AC attributes. The decision for the best method will be made during the requirements definition phase of the implementation project.

2.23.4 Impact on Business Procedures

Procedures for system updates will need to be developed based on the system design decisions made during the implementation project.

2.23.5 Anticipated Benefits

Reduce the need for performing manual data extraction and reporting using spreadsheets.

2.23.6 Tasks for implementation

High-level tasks to be performed during implementation:

- Review reporting requirements
- System design and configuration to determine required data elements for performance metrics
- Document commonly agreed data elements and definition across all systems.
- Report development and testing
- Development test plan and user acceptance criteria
- Execute user acceptance testing according to plan

2.23.7 Recommended Timing

This recommendation should be addressed during the Lawson AC implementation project.

2.23.8 Dependencies

Since some of data will be extracted from ACT!, the detail design of this recommendation will be affected by decisions concerning the upgrade or replacement of ACT! with a different CRM solution.

2.24 Information in ACT! does not readily align with Mitas.

2.24.1 Description of Current State Process

Performance reporting includes information on loan pipeline and loan commitments. Data is extracted from both ACT! and Mitas.

2.24.2 Description of Future State Process

In the future state, all financial information, other than pipeline, should be reported out of Lawson GL statistical accounts or AC attributes or the recommended Mitas replacement . With the development of the daily interfaces between the new loan system and Lawson, there will be no need for storing any other financial information in ACT!

Enhancements should also be made to ACT! to enforce data accuracy for values in fields that define the source of funding for a potential loan.

2.24.3 Impact on Lawson Configuration

New Lawson AC configuration is described in other current state documents

2.24.4 Impact on Business Procedures

Current procedures to manually update actual loan information in ACT! will be eliminated as the actual information from Mitas will be interfaced on a daily basis to Lawson.

2.24.5 Anticipated Benefits

The elimination of redundant data between ACT! and Mitas will result in more consistent and accurate financial data. Unnecessary reconciliation effort will also be eliminated.

2.24.6 Tasks for implementation

Implementation of Lawson AC and new interfaces with Mitas are described in other current state documents

2.25 Unable to perform deeper analysis on loans or grants due to the lack of an integrated system

2.25.1 Description of Current State Process

In the current system architecture, loan pipeline and loan/grant applications are tracked in ACT! After it is approved, loan/grant information is entered in Mitas for servicing and disbursement processing.

2.25.2 Description of Future State Process

As described in 2.24 above

2.26 Property management information is not available to staff outside of Real Estate Management

2.26.1 Description of Current State Process

Due to the lack of a centralized and easily accessible property management system, the staff at Real Estate is often receiving e-mail requests from other areas at PDC whenever they are looking for financial or statistical information on properties. This is a time consuming process, subject to errors and inconsistencies.

Quarterly Asset Management and Credit Administration Dashboard report is Excel based and prepared with a great deal of manual effort by combining data from multiple spreadsheets and Access databases

2.26.2 Description of Future State Process

This pain point can be addressed by the selection and implementation of comprehensive property management software. This solution will result in the elimination of various Microsoft Access databases and Excel spreadsheets that are currently maintained to track and report on information about real estate properties and related details on leases, tenants, rent payments and expenses. The selected application should at a minimum include the following process and data management capabilities:

- Maintain detail physical information about multiple types of real estate assets: parcels, industrial buildings, multi-family, multi-use commercial, retail, etc.
- Maintain detail information about tenants and respective leases, including space measurements, rent charges and schedules, expense recovery terms, lease dates.
- Maintain property level activities such as acquisition and disposition transactions.
- Maintain and report on tenant activities such as relocation, maintenance schedule and work orders, etc.
- Tenant accounts receivable and collections
- Assign Lawson GL and AC coding blocks necessary for integration and alignment with the overall configuration of the Lawson ERP system.
- Inbound and outbound interface processes with Lawson and other PDC applications (if necessary)

2.26.3 Impact on Lawson Configuration

The implementation and integration of a property management system will be one of the major system initiatives required to implement the recommendations in the FSCA project. The implementation of the Lawson AC module is addressed in more detail in the UDD future state document.

More directly related to the business requirements for Real Estate Services, additional consideration should be given to the Lawson configuration for the following requirements:

- New GL accounts and/or AC account categories for the purpose of tracking additional detail on rent revenue and property management expenses.
- Depending on the final design and configuration of the Lawson AC module, a real estate property will correspond to a posting level Activity.

2.26.4 Impact on Business Procedures

Additional business process policies and procedures will be required for the following topics:

- Rules for defining a property number in the property management and the corresponding activity in Lawson AC.
- Rules for defining a property number in the property management and the corresponding activity in Lawson Asset Management (AM).
- Access rules and security setup procedures will need to be developed for the end users of the new property management software.

2.26.5 Anticipated Benefits

The most significant benefit will be the elimination of various spreadsheets and Access databases that cannot be easily accessed by the PDC organization at large. In addition, an enterprise level application will result in a greater level of quality and consistency of property information.

2.26.6 Tasks for implementation

Normal processes for the selection and implementation of business software should be applied.

2.26.7 Recommended Timing

Selection process of the property management software can be initiated immediately, followed by its implementation. The recommend timing of the software selection and implementation will be done as a part of the overall final recommendation for the Financial System Consolidation Roadmap.

2.26.8 Dependencies

In the evaluation of the new property management software, special consideration should be given to the software's ability to integrate with Lawson. Design decisions that impact both Lawson and property management must be considered jointly. As long as the design is conducted in an integrated manner, the implementation of property management can be executed on a different schedule from the implementation of the Lawson AC module.

2.27 Tenant Accounts Receivable information is not available

2.27.1 Description of Current State Process

All operational PDC owned properties are managed by a 3rd party property manager. The only financial transaction that is currently being recorded in Lawson is the net payment that is sent in every month by the property manager. This payment is the net of total rent collected and total expenses.

Various spreadsheets and Microsoft Access databases are used to support the detail data requirements (property, tenant, leases) . None of the current spreadsheets provide an accounts receivable balance and aging by tenant.

2.27.2 Description of Future State Process

Implement new property management software (see section 2.26 above).

2.27.3 Impact on Lawson Configuration

Addressed in section 2.26 above

2.27.4 Impact on Business Procedures

The format and level of detail of information provided by 3rd party managers should be reviewed in light of the reporting and design decisions made for the implementation of the property management software.

2.27.5 Anticipated Benefits

Better control on rent revenue and delinquencies.

2.27.6 Tasks for implementation

Addressed in section 2.26 above

2.27.7 Recommended Timing

Addressed in section 2.26 above

2.27.8 Dependencies

Addressed in section 2.26 above

2.28 Detail revenue and expense information by property is not available

2.28.1 Description of Current State Process

All financial information detailed by property is maintained on side spreadsheets and Access databases maintained by the Real Estate/Asset Management department. For 3rd party managed properties, the only information that is recorded is the net payment submitted monthly by the property manager (rents minus expenses minus fees). This information is typically provided on paper or e-mails.

2.28.2 Description of Future State Process

Addressed in section 2.26 above.

2.28.3 Impact on Lawson Configuration

Addressed in section 2.26 above

2.28.4 Impact on Business Procedures

Addressed in section 2.26 above

2.28.5 Anticipated Benefits

Addressed in section 2.26 above

2.28.6 Tasks for implementation

Addressed in section 2.26 above

2.28.7 Recommended Timing

Addressed in section 2.26 above

2.28.8 Dependencies

Addressed in section 2.26 above

2.29 Mitas application will require significant modifications to accommodate full integration with Lawson

2.29.1 Description of Current State Process

Interfacing of Mitas financial information is done only once a month to Lawson. The mapping of the information is done via a “GL Translator” setup in Mitas and as such, it presents month end balance amounts only. This information is generally out of date immediately after month end.

2.29.2 Description of Future State Process

In order to most easily solve this pain point (and several others) PDC should replace Mitas with a more comprehensive, Loan Origination and Loan Processing system. In addition as a part of this selection the application will need to have a more open source code base in order to make customizations and develop interfaces in order to meet PDC system consolidation requirements.

The following factors contribute to this recommendation:

- The proposed integration with Lawson will require additional data fields than what is currently available in Mitas. The existing field sizes in the Mitas GL setup will not be sufficient for mapping to Lawson AC and as a result, significant customization might be needed to Mitas to accommodate this requirement.
- The existing interface from Mitas to Lawson is based on month-end GL balances. The recommended integration will require new functionalities in Mitas to capture and store loan approval and closing events. This will likely require significant enhancements to the Mitas standard software.
- The Mitas software is currently owned and serviced by The Mitas Group. The company has been very reluctant to share information about the design and detail capabilities of its product. As such, this raises a concern on their willingness and openness to be a long-term business partner and adapt the software’s functionality to PDC’s current and future requirements.
- As mentioned in other sections of the recommendation, the support for loan initiation should be an integral part of the loan software application. Based on the limited information provided by The Mitas Group, it appears that its loan initiation capabilities are focused on residential loans.

In order to solve this pain point a daily detailed transaction level interfaces between the new Loan System and Lawson should be developed to allow for a daily integration between the two systems. In addition, the nature of the interfaced transactions should reflect the detail loan transactions as they occur in the new Loan System and not a GL balance interface as it is done today. A detail overview of the recommended integration between the new Loan System and Lawson is provided in the appendix 4.1 below.

2.29.3 Impact on Lawson Configuration

The implementation of the Lawson AC module is addressed in more detail in the UDD future state document.

The following are the most significant changes to current Lawson configuration at PDC applicable to loan servicing:

- A lower level of detail will be tracked in the AC module - loans and grants will be identified as a posting activity (in the respective Activity Groups as determined by final design decisions)
- Loan borrowers will be defined as vendors in the Lawson AP/PO module

- Business entities or individuals receiving loan disbursements will be defined as vendors in the Lawson AP module
- In order to accommodate the interfacing of loan commitments and loan closing information, additional configuration will be needed to the RQ and PO modules. The recommended integration specifies that a loan commitment will be interfaced to Lawson as a “requisition” and a loan closing will be interfaced as a “purchase order”.

2.29.4 Impact on Business Procedures

The establishment of daily interfaces between the loan system and Lawson will require changes to the following business procedures:

- Loan commitment and loan closing – the procedures need to include the appropriate updates to be entered in the new Loan System so that they can be interfaced to Lawson
- Loan disbursement – currently loan disbursements / draws on a loan are generated in Mitas. The recommended approach calls for the creation of the disbursement in the Lawson AP module as it is triggered by a payment request entered in the new Loan System. Approval and control procedures will need to be revised for consistency and compliance with current procedures around the Lawson AP module.
- Reconciliation between systems will need to take place on a daily basis.

2.29.5 Anticipated Benefits

The benefit from this recommendation is the core benefit of the FSCA project – the ability to post transactions on a single system (Lawson) on a daily basis, will provide PDC with more timely and accurate financial data.

2.29.6 Tasks for implementation

If a decision is reached to replace Mitas, normal processes for the selection and implementation of business software should be applied.

2.29.7 Recommended Timing

Selection process of the new Loan System to replace Mitas should be initiated immediately, followed by its implementation. Given the high level of integration between the new Loan System and the Lawson applications, the new Loan System implementation and go-live should be done in parallel with the implementation of the Lawson AC application.

2.29.8 Dependencies

In the evaluation of the new loan management software, special consideration should be given to its ability to integrate with Lawson. Design decisions that impact both Lawson and loan management must be considered jointly.

2.30 Splitting of Housing to PHB

2.30.1 Description of Current State Process

As the Housing department splits out from PDC, housing data will need to split into its own section of Mitas data and programs.

2.30.2 Description of Future State Process

A separate project is already in progress for the separation of the housing loan data to PHB on a separate instance of Mitas. This will not have an impact on the FSCA project.

2.31 Project Portfolio does not currently link to Lawson GL/AC for any financial links/reporting

2.31.1 Description of Current State Process

PDC currently lacks the ability to align the project financial reports in Lawson to Project Portfolio. The system of record for financials is Lawson GL and AC. A lack of a one to one project relationship alignment between Lawson and Project Portfolio is preventing financials from Lawson to link with Project Portfolio.

2.31.2 Description of Future State Process

Newly developed Business Procedures as listed below in 2.31.4 would need to be followed to prevent any misalignment of projects between Lawson GL/AC/BuD's and Project Portfolio. The Lawson AC system should be re-implemented a new structure to re-align Lawson Projects to facilitate 100% financial reporting from Lawson GL/AC. Budgets will vary in depth according to the type of project involved, with actual amounts sometimes at a lower level of detail than the budget amounts, allowing for budget to actual reporting at a higher level in those cases. Project Portfolio and BuD's will need to each "change projects" (as described below with depth and in fewer cases by actually combining or splitting out projects to achieve alignment) that currently exist in each system when necessary to achieve the alignment with the re-implemented Lawson AC structure. The change referred to must include not only the project in Project Portfolio that needs to align to Lawson AC/BuD's. This alignment will allow for projects in Lawson/BuD's to align to projects in Project Portfolio so the financials that result with Lawson account numbers can be used as the financial statements of record from Lawson GL/AC to Project Portfolio. In most cases this can be accomplished by building the Lawson AC structure at a greater level of detail to match Project Portfolio's existing depth. In a few cases this will be accomplished through a combination of changes to projects in Project Portfolio and in BuD's to achieve the more complex alignment. This solution is documented below in 2.31.4.

Given that Project Portfolio projects must be created as soon as time, effort and/or money are devoted to the project, Project Portfolio and Lawson AC project numbers will need to be in sync at all times, meaning an addition/change to one system would require a simultaneous addition/change to the other system. A daily interface should be created to interface the newly created Lawson AC project to create the same project in Project Portfolio with the same project number as Lawson AC so project numbers are identical.

2.31.3 Impact on Lawson Configuration

There must be alignment between Lawson GL/AC and BuDs with systems such as Project Portfolio before project and program financials can be produced from Lawson. Project Alignment already exists between Lawson and BuDs (Activity field in coding block is aligned between BuDs and Lawson AC) – the further alignment needed is from Lawson/BuD to other systems such as Project Portfolio. Most of the existing active projects analyzed in Project Portfolio would be fairly easy to develop in the Lawson AC Structure., but in a few cases, Projects that are misaligned would require changes to the Projects in Lawson AC (Activity Field of the Lawson Coding Block)/BuDs and Project Portfolio to bring them into alignment Business Procedures are needed in order to align these few misaligned Project Portfolio Projects. Another important alignment topic is the alignment of fields in Project Portfolio to the resulting Lawson AC configuration. Any lack of consistency or lack of mutually exclusive values that contain logical rules surrounding them should be reviewed as part of this part of the alignment. The current fields in Project Portfolio in some cases relate to Lawson’s vertical roll-up reporting structures as described in the AC Design Document. Other fields in Project Portfolio more relate to “horizontal” reporting across the Lawson AC Project Structure that can be tracked using Lawson’s Attribute Matrix reporting values. Before using any Project Portfolio field values as they exist now first a review should be conducted to assure that the lists contain mutually exclusive values and are needed for financial reporting in Lawson AC before bringing those values into Lawson AC for financial reporting.

Please refer to the Lawson AC Proposed Design Document for more details of how Activities would be setup to accommodate the new structure to accommodate this alignment.

2.31.4 Impact on Business Procedures

To properly align Lawson/BuD with Project Portfolio it’s mostly a matter of level of detail for most of the active Project Portfolio projects and less about Business. The example of this depth issue is in the Storefront example of this document in section 1.2.1 (above) to show Atomic Pizza rolling up to URA which rolls up to Storefront which rolls up to Financial Assistance – giving it depth to roll up according to those “levels”. However - for the few that are more misaligned, and to set the stage for going forward – business processes are going to be the key in preventing that misalignment going forward to achieve the same required roll up while achieving alignment between Lawson AC/BuD and Project Portfolio.

Most of the misalignment issues are a result of budgets in Lawson AC grouped in one way with Project Portfolio grouping projects in another way from how BuDs has the budgets arranged. As a result of this misalignment Project Portfolio projects and Lawson AC/BuD groupings are not easily aligned in a few of the cases. The solution to this issue is a business policy that budgets are built for these areas with the resulting Project Portfolio project in mind – this should prevent misalignment before BuDs finalizes the budget and before Project Portfolio builds the project in Lawson AC and is interfaced into Project Portfolio.

The key policy is that the budget be built in such a way that the resulting Lawson AC and Project Portfolio project can correspond at a defined level to the budget. This may mean that budgets may need to be re-classified to accommodate alignment at the inception of a new project in Lawson AC and Project Portfolio. Business Rules need to be built as a framework for accomplishing this key new policy.

A requirement of success will require UDD and Budget to work closely with each-other to develop budgets in better alignment to how UDD plans to track the project in Lawson AC. By

planning ahead this will enable budgets to seamlessly align with Lawson AC and Project Portfolio, for financial reporting at the correct level going forward.

2.31.5 Anticipated Benefits

- Up to date project/loan/grant financials available from Lawson GL/AC via a convenient dashboard from LBI. This will benefit both Projects and Programs
- Detailed actual amounts, commitments and encumbrances stored in Lawson GL/AC instead of side-tracker spreadsheets (translators), this will provide greater transparency, accuracy and timely reporting.
- Budget tracking that is real-time from one source-Lawson instead of side tracking spreadsheets (translators).
- Daily ability to see Budget vs. Pipeline, Encumbrances, Commitments, Expenditures, with remaining dollars without the use of a side tracker spreadsheets – via a convenient daily report.
- Increased detail from a single source – Lawson AC with enhanced accuracy and timeliness.
- Ability to report PDC wide and to “slice and dice” data using attribute matrix lists to answer more detailed and complex questions from single system. This ability will include reporting across neighborhoods, URA, Service Area to narrow reporting that is now difficult or impossible to answer.
- Ability to separate out costs for project phases and use that to estimate costs for future similar projects and to measure performance for such project phases.
- Better ability to see true project costs on a daily basis.
- Better ability to track full cost accounting
- Increase ability, facility and accuracy for time tracking through more detailed project and program tracking
- Better controls to prevent over spending.
- Better ability to track contractual terms on a daily basis from Lawson GL/AC.

2.31.6 Tasks for implementation

- Identify all Lawson AC projects that would roll into the newly recommended AC Structure and add them into that structure
- Identify the additional attributes needed for various activities and create the list of values for each activity attribute.
- Assign attributes to activities and assign values
- Require Activities for all income statement type of GL Account entries in Lawson GL.
- Lock out and or tightly control AC40 to help ensure GL to AC reconciliation success and to prevent AC entries outside of GL.
- Finalize the level numbering, account coding
- Confirm Activity Groups and the structure recommended in the Activity Recommendations Design Document
- Put new business policies in place and gain executive support for those policies and a forum for gaining agreement when necessary.
- Develop ownership and security for the resulting AC new structures.
- Create complex well written interfaces to automate the creation of AC10 and other setups needed to keep projects setup on a daily basis to facilitate daily commitments, encumbrances and expenditures.

2.31.7 Recommended Timing

Everything described in this section would need to occur as part of the go-live of the new Activity Re-Implementation. The Business Procedure's would need to be developed and followed. The few misalignment issues would need to be addressed for the new AC structure to be implemented.

2.31.8 Dependencies

All eight items from the introduction area of this document are critical to eliminating side tracking spreadsheets (translators).

2.32 Projects are sometimes kept at a high level in Lawson but then broken into more detail after the fact, instead of putting information into Lawson according to output needed.

2.32.1 Description of Current State Process

The current Lawson AC structure does not fully support the depth required by UDD projects to prevent side budget tracking spreadsheets (translators). As a result, users sometimes break down an activity (Project) into more detail outside of Lawson AC on spreadsheets or by some other means. This action causes reconciliation issues.

2.32.2 Description of Future State Process

Please See 2.31 above for Future State Explanation.

2.33 Project Managers would like to track budget information at a lower level than Budget is required to track a budget for a specific program or project

2.33.1 Description of Current State Process

In some cases budgets are created by the Budget team at an aggregate level but a project manager may need to bring that budget deeper in the structure to manage at a lower level budget to actual. For example, currently the official budget is created at the Level 1 “Storefront”. Storefront Coordinators need to track the actual and budget information associated with this program at a lower level of detail. In other cases a Storefront Coordinator might need both budget and actual recorded at a lower level. In this example, there might be a desire to keep the budget at the Storefront level 1 and record actual at level 3 posting. This would allow actual to roll up to the URA it belongs to and roll-up to Storefront where budget resides for the same consolidated report. Currently all actual amounts are recorded at the same level as the budget, to one posting activity for “Storefront”. As a result side spreadsheets are required to break this data out in Excel. The laborious step of breaking data out further using Excel outside of the Lawson AC structure is an example of how using Lawson to record in more detail could prevent the need to use Excel side spreadsheets. Budgets can be recorded in Lawson AC at a lower level similar to how they are being recorded at a lower level in Excel currently to get that data from Lawson AC instead of the Excel side sheets.

URA is used as the level description described here instead of Fund. Some activities at PDC are funded by multiple funds. If Activities is built to always align to funds then the deeper structure recommended would become cumbersome in those cases. Lawson is designed to allow a project in Lawson AC to be “above” the GL fund level, allowing for multi funded projects. LBI reports can bridge the table gap between the GL and the AC tables to report on fund balances from GL and project balances from AC without always building funds into the AC structure and can allow for the fund to be tracked in the General Ledger as it is now and will be in the future. The alternative is to duplicate structures that are already in the GL into the AC structure, making the new depths cumbersome. As a result PDC should not name the URA level as Fund, since it would suggest that funds are always split out in the AC structure when that is not what is being recommended.

2.33.2 Description of Future State Process

The Lawson AC Structure will be designed to allow Budgets to “flow up” to the level where it is budgeted (typically the URA level). In addition the Lawson AC structure will be designed to enable Actual amounts to be entered below the URA level and then “flow up” to the URA Level where budget to actual analysis can be accomplished. In cases where budgets need to be brought down below the URA level there will be two options it will be necessary to reclassify budgets down to the lower level needed.

2.33.3 Impact on Lawson Configuration

The re-implemented Lawson AC structure will become the replacement of the current H# Lawson AC coding block. These posting activities will now roll up into higher summary levels as described in the Lawson AC Implementation Design Document. Budgets and Actual Amounts will not always be on the same AC level, but will “flow-up” to be on the same level at higher levels of the new Lawson AC structure.

2.33.4 Impact on Business Procedures

Project Portfolio Projects should be setup in Lawson AC and interfaced daily to Project Portfolio to create the corresponding project number going forward. This will guarantee that an activity will always exist when a new project first has any efforts expended or financial impacts. The newly configured Lawson AC Configuration needs to be aligned consistently with BuDs. Part of consistency is to build logic and business rules by program so there is alignment in the level the budget is built in the various programs offered by PDC. By logic there should be a logical pattern to when budgets are built at different levels.

2.33.5 Anticipated Benefits

Actual and Budget amounts will be able to be recorded at the necessary level of detail. This will eliminate the need for this information being tracked in separate spreadsheets today.

2.33.6 Tasks for implementation

- Identify all Lawson AC projects that would roll into the newly recommended AC Structure and add them into that structure
- Identify the additional attributes needed for various activities and create the list of values for each activity attribute.
- Assign attributes to activities and assign values
- Require Activities for all income statement type of GL Account entries in Lawson GL.
- Lock out and or tightly control AC40 to help ensure GL to AC reconciliation success and to prevent AC entries outside of GL.
- Finalize the Lawson AC level numbering, account coding
- Finalize new coding in BuDs built around logical consistent rules and make these changes to BuDs.
- Confirm Activity Groups and the structure recommended in the Activity Recommendations Design Document
- Put new business policies in place and gain executive support for those policies and a forum for gaining agreement when necessary.
- Develop ownership and security for the resulting AC new structures.
- Create complex well written interfaces to automate the creation of AC10 and other setups needed to keep projects setup on a daily basis to facilitate daily commitments, encumbrances and expenditures.
- Develop processes for when a budget would need to be reclassified lower to match actual and when it would not.

2.33.7 Recommended Timing

All part of the full re-implementation of Lawson Activities,

2.33.8 Dependencies

Lawson AC could be implemented in tandem, before or after with related loan servicing, Yardi, ACT! Upgrades, etc. If implemented in tandem or before loan numbering that is mutually exclusive would need to be created that would then be used in the Lawson AC setups since Lawson requires unique numbers for Posting Activities since it's part of the Lawson Coding Block. For additional items see above for tasks for implementation as well. Additionally a

committee should be convened as an early stage to standardize language PDC wide that would be used in the Lawson AC re-implementation to define words such as project, program, URA, etc.

2.34 AC is setup without any real depth to projects right now - can better use levels to roll more than one project into a summary project when needed

2.34.1 Description of Current State Process

See answer to 2.31 above – same answer.

2.35 Sometimes there is a need to setup projects for actual at a lower level of detail than the budget goes in and still get budget edits as a result

2.35.1 Description of Current State Process

See answer to 2.33 above – same answer.

2.36 Have budget management at right level including the ability sometimes to book actual at a lower level than budgets or move budgets lower.

2.36.1 Description of Current State Process

See answer to 2.33 above – same answer.

2.37 Areas of budgets are not always fleshed out down to the level needed for reporting. It's good to have high level budgeting in many cases, but so many people still have separate Excel sheets called "Translators" that provide the detail. Since Lawson can do this, it would be good to move more quickly towards this (and phase out the Translators).

2.37.1 Description of Current State Process

This pain point is similar to 2.31 and 2.33 above. Currently, a lack of depth in the AC structure is resulting in the current practice to use a “Translator” to document what could have been detailed in AC with a deeper structure.

2.37.2 Description of Future State Process

See 2.31 and 2.33 for future state discussion on Activities topic

2.38 Need Project Portfolio and AC to align to allow Lawson AC to report on all projects setup in Project Portfolio where financial reporting is required.

2.38.1 Description of Current State Process

Currently, Lawson AC and Project Portfolio lack a one-to-one relationship for projects. There is a setting in Project Portfolio to link each project in Project Portfolio to a valid activity, but the field is not required, and a one to one relationship is lacking in most cases. As a result the financial reporting out of Lawson AC does not always correspond to projects in Project Portfolio. This means that Lawson AC lacks the current ability to produce financial statements for each project in Project Portfolio. The lack of alignment of any specific system was not fully defined by the PDC person giving this pain point. This Pain Point is to document the lack of alignment existing between Lawson AC and Project Portfolio currently.

2.38.2 Description of Future State Process

Please see 2.31 above for this future state.

2.39 Lack Project definitions especially for business and industry team initiatives, who work more programmatically.

2.39.1 Description of Current State Process

PDC lacks a clear and agreed upon definition of the word project.

The budget is currently created using the following:

1) Fund 2) Program 3) Cost Center 4) Account 5) Activity

Some people use the Activity as a project, some use program, some use fund and some use combinations between. Some use a project as a subsection of the one activity by referring to a phase of a project.

2.39.2 Description of Future State Process

Standard definition of system data elements is a major issue that exists across all project/loan/grant/real estate related systems at PDC. As a part of the implementation of Lawson AC a FSC Business Process Steering Committee should be formed in order to develop, implement and provide on-going support to the policies and procedures that will be necessary in order to govern both the data elements and the business policies that will be required in order to be successful with this effort. Strict on-going adherence to the definitions and the procedures defined by this Committee will be required in order to maximize the future benefits of the of these project based applications.

2.39.3 Impact on Business Procedures

PDC has already done significant work on this topic but the problem persists so it should be revisited and adhered to for better resolution for PDC.

2.39.4 Anticipated Benefits

Would achieve less confusion regarding the term Project and better consistency PDC wide.

2.39.5 Tasks for implementation

- Form Business Process Steering Committee
- Convene meetings to create definitions, policies and procedures on an ongoing basis for PDC wide business procedures
- Create a review policy for assuring that polices are adhered to

2.39.6 Recommended Timing

Part of the planning phase of the Lawson AC and New Loan System Implementation

2.39.7 Dependencies

None

2.40 Project Code is a source of confusion right now since sometimes it's a project, sometimes it's a program, fund, etc.

2.40.1 Description of Current State Process

Currently the project code setup in Activities is a source of confusion since it is sometimes a genuine PDC project, other times it's a program, other times it's a fund. Lack of consistency here is contributing to the confusion surrounding the definition of a project code and a project.

2.40.2 Description of Future State Process

Please see 2.39 above for future state on this topic.

2.41 The way Accounting describes a Project seems to differ from the way project management standards (and UDD) define a Project. If this is having ramifications on the system, we need to align the terminology. I understand accounting to be referring to a code.

2.41.1 Description of Future State Process

Please see 2.31 and 2.39 above for future state on this topic.

2.42 PDC can't get reliable reports on what's in pipeline overall - what's anticipated, approved, committed, encumbered, and spent. All of these matter, not only for Projects but also for Programs.

2.42.1 Description of Current State Process

Currently, Pipeline information, including outcomes, resides in and is reported from ACT!. Any transition of outcome data from ACT! to Lawson should be carefully and cautiously considered to confirm that such outcomes are appropriate for recording in Lawson and the accuracy and reliability of any such data considered before interfacing ANY DATA from ACT! to Lawson directly when and if any data is transferred to the Lawson Tables from ACT!. Mitas tracks commitments on loans/grants but does not hold the official latest version of the budget. Reporting of budget to actual and committed/encumbered to actual are not possible in Mitas since the budget is housed in Lawson. Pipeline is tracked in ACT! while other amounts are in Lawson as either an RQ or PO amount. Reporting for this is piecemeal and the interface from Mitas is only occurring monthly. This results in only one to two days per month that Lawson is partly up to date on commitments to budgets. Since budgeted amounts are at both a project and program level, the commitments associated with the project and program levels are important. However these are not easily determinable and PDC is at risk of overspending budgets that cannot be overspent by law. In some cases this overspending has occurred when the system should have procedures in place to prevent this.

2.42.2 Description of Future State Process

The resolution to this topic involves getting all financial information and performance outcomes, with the exception of pipeline data, into Lawson as the financial system of record. This would allow for a report to be developed (in Lawson LBI) to capture all necessary financial data from Lawson and all Pipeline data from ACT! on a daily basis.

In order to have all the financial related data pulled from the Lawson application PDC should replace Mitas with a more comprehensive, Loan Origination and Loan Processing system.

In order to solve this pain point a daily detailed transaction level interfaces between the new Loan System and Lawson should be developed to allow for a daily integration between the two systems. In addition, the nature of the interfaced transactions should reflect the detail loan transactions as they occur in the new Loan System and not a GL balance interface as it is done today. PDC also needs to carefully evaluate what level of information will need to be retained in ACT! to meet the information requirements of the programs. PDC should also review the progress of this recommendation with program managers.

2.42.3 Impact on Lawson Configuration

Solving this pain point is critical and the impact on Lawson Configuration involves the following multiple areas:

- 1) Lawson AC Alignment via the Re-Implementation of Lawson AC (See 2.31)
- 2) Lawson Depth as part of the Re-Implementation of Lawson AC (See 2.31)
- 3) All interfaces to Lawson must become Daily Interfaces
- 4) Require new interfaces (see interface appendix) and conversion of existing monthly interfaces into daily interfaces.
- 5) All encumbrances, pre-commitments and commitments from all systems must be interfaced to Lawson daily. This will cause an increase in transactions over a monthly interface. This allow for daily ability to run an LBI report that will give amount remaining, pipeline, encumbrance, pre-commitment, commitment, expended, amount remaining daily from LBI.
- 6) Future year Commitments need to enter Lawson with the correct date to allow for future year commitment tracking from Lawson and LBI.
- 7) Business rules to keep all Lawson Configuration changes consistent and complete.
- 8) ACT! would be the source for pipeline data to the daily LBI remaining amounts report initially.
- 9) Lawson would have to be configured to capture outcomes such as projected jobs and private investment and appropriate changes made to the business processes.

2.42.4 Impact on Business Procedures

Once the future state is implemented all side tracking spreadsheets (translators) should be phased out. The phase out would be due to the ability to now report from Lawson AC instead of the side tracking spreadsheets (translators).

2.42.5 Anticipated Benefits

- One Source of the Truth on a daily basis
- Less overall PDC efforts by doing more “upstream” to get more “downstream”
- Enhanced reporting ability with the new Activity Structure
- Centralized Outcome Reporting from Lawson via Statistical YTD Account population at the loan level with AP Vendor as the attribute to the Loan Posting Activity.
- Ability to answer more complex reporting questions with greatly reduced response times
- Enhanced ability to report by Program, Services Area, URA and more via enhanced PDC wide Activity Structure.
- No more tracking detail on spreadsheets that can be done automatically by Lawson AC.
- Better ability to use LBI to report on more detail than could be achieved prior to re-implementation of these systems.
- Greater ease in future budgeting by having greater level of detail in Lawson than before to use as the basis for future year budgets.
- Greater automation of loan servicing and real estate systems by re-implementing both of those systems and interfacing the resulting data to Lawson daily.

2.42.6 Tasks for implementation

- Follow implementation tasks listed in 2.31 for Lawson AC Re-Implementation
- Re-Implement Loan Servicing/Loan Origination solution after proper system selection
- Implement Real Estate Solution such as Yardi after proper system selection if cost benefit justifies replacing existing spreadsheet based system which lacks a proper AR system for proper financial controls.
- Create new interfaces per the interface appendix and modify existing monthly interfaces to daily – assuring that enough resources are devoted to this to create quality interfaces that will help ensure successful daily interfaces of all data needed to keep data moving daily to Lawson.
- Evaluate and implement how to modify outcome statistics and report on modified statistical values from Lawson on a monthly basis
- Adjust Project Portfolio and BuDs to achieve alignment stated in 2.31 above.
- Conduct proper system training for all Business Policies and System changes involved.

2.42.7 Recommended Timing

Lawson AC and related Lawson changes should start as soon as possible in order to keep the momentum that has been initiated by this project.

2.42.8 Dependencies

Lawson AC cannot go-live until numbering of Loans and Grants and Project Portfolio numbers are finalized and available for use in the new Lawson AC coding conventions. This does not mean that systems such as loan servicing, loan origination, Real Estate and Real Estate Management need to be fully implemented first, but it does mean that the resulting coding blocks should be finalized prior to the Lawson project's use of them in AC. The Lawson project will be very heavily dependent on interfaces between Lawson and all the systems mentioned, meaning a Lawson go-live would be heavily dependent on quality interfaces between systems. This means such systems should be in place on or before Lawson's go live with quality interfaces built, tested and in place.

Lawson AC implementation design and the ACT! Upgrade will need to be closely aligned to make certain that the integration is successful.

2.43 Can't report now on a Requisition (RQ) commitment in Activities (AC) vs. PO to get a Budget to RQ to Actual Report. Although requisitions at this point are fairly narrow, as these are expanded out to all contracts (which they should be), this will get more important.

2.43.1 Description of Current State Process

Part of the issue between Lawson AC financial reporting and Project Portfolio is related to not having a one-to-one alignment between AC projects and Project Portfolio projects. When that alignment issue is corrected this problem should cease assuming that commitments via both RQ and PO are made against the new activities. Then each contract would have an alignment from Lawson AC (the financial system of record) to Project Portfolio and as a result AC would be able to report RQ and/or PO commitments by activity and or fund/program in GL to solve this issue. Lawson does allow for reporting by RQ vs. PO System Codes to separate out this type of commitment reporting when both system codes are in use and have commitments turned on.

2.43.2 Description of Future State Process

Methodology to get reports from Lawson that includes daily commitments and encumbrances is answered in 2.42. This topic specifically addresses the Lawson System Code RQ vs. PO encumbrance and commitment topic. RQ is the Requisition Module and PO is the Purchase Order Module. Lawson creates Encumbrances and Commitments by such System Codes. Currently PDC is not using commitments despite having both General Ledger and Activity Commitments turned on for multiple system codes. PDC should turn on most relevant system codes to ensure that commitments are generated in the appropriate Lawson system codes as described in the configuration section next. Lawson tracks both GL and AC Coding Block type commitments by system code as described in 2.43.3 below.

AC CODING BLOCK COMMITMENT REPORTING:

Commitment Detail Report (AC298) allows for Commitment analysis by System Code to separate out AC Commitments by System Code by selecting the System Code to get commitments specifically for RQ, PO, AP, AC type commitments. Additionally Commitment Detail Analysis (AC98) allows for filtering by system code to get AC Coding Block Commitments from the online analysis – Commitment Detail form filtered by system code.

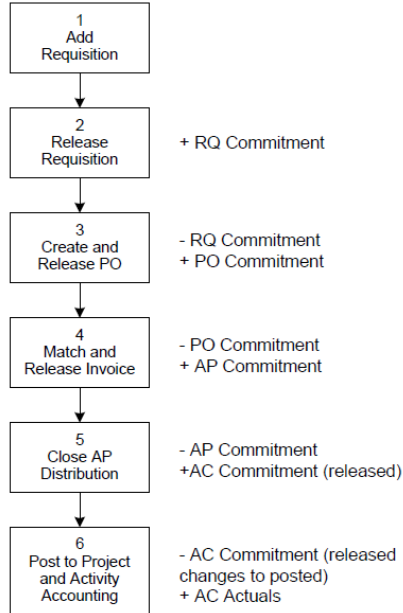
GL CODING BLOCK COMMITMENT AND ENCUMBRANCE REPORTING:

Historical Commitment Analysis (GL93) allows for Commitment analysis by System Code to separate out GL Commitments and Encumbrances by system code. GL Commitment Analysis Report (GL298) can also be run by System Code as well. The Report Writer (RW) module can be used to customize GL reports further if the GL298 is insufficient. Because PDC does not currently use the RW module LBI might be the better choice for customized GL Commitment reporting.

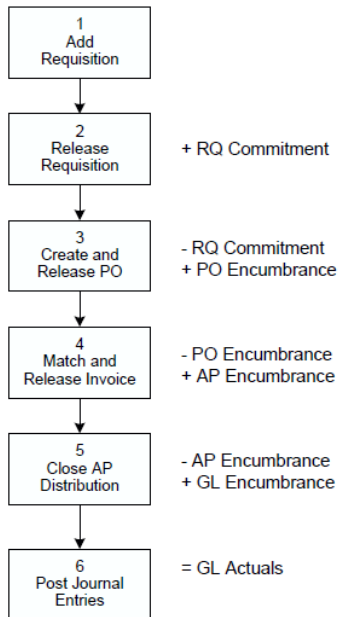
Lastly, LBI reports can be created to separate commitments out by system code for both GL and AC Commitments for RQ, PO, AP, or any other valid system code where commitments exist.

2.43.3 Impact on Lawson Configuration

The following graphic shows how AC Commitments flow through AC by system code.



The following graphic shows how GL Commitments flow through the GL by system code:



Notice above that GL Commitments become Encumbrances when the requisition becomes a PO Encumbrance. That Encumbrance then goes from PO to AP to GL until posted with a GL190 posting program to close out the GL Encumbrance to a GL Actual/Expenditure.

Commitments are broken down into GL commitments and AC commitments. GL tracks commitments for the GL portion of the coding block (Accounting Unit and Account for PDC). AC tracks commitments for the AC portion of the coding block (Activity and Account Category). PDC should configure the Lawson Commitment feature to be turned on for both AC and GL portions of the Lawson Coding Block.

PDC currently has System Codes form GL01.4 for AC Commit and GL Commit set to yes for RQ, PO, AR, AP and AC and AR. GL, CB, EE and PR are currently set to NO Commit for both GL and AC Coding Blocks. PDC is not currently using the AR module so having it on has no effect as a result since no transactions are created by Lawson AR by PDC. GL could be turned on to capture GL entries as commitments. However prompt running of GL190 and AC190 will convert these to actual entries regardless, so the current setting of off as a result has little to no impact on the commitments assuming GL190 and AC190 is run daily as it will need to be. Allowing GL system code to be turned on could actually cause GL entries to become commitments temporarily before running the GL190 posting job that would be undesirable to PDC. As a result the GL system code should remain turned off for both GL and AC commitment tracking. The EE system code is unused by PDC. PR entries become actual expenditures as soon as interfaced and posted in AC and GL so it should also remain off for both GL and AC commitment tracking. The current settings are appropriate for both AC and GL coding block commitments and encumbrances going forward.

PDC should also set the GL accounts on Detail Accounts (GL00.3) to require an Activity for all accounts in the GL00.3 that should require an activity. For accounts that should not include an activity, such as balance sheet accounts this feature should be set to no so that activities won't be allowed for those GL accounts. When activity coding exists then an AC commitment will be generated by system code into the AC Coding Block.

2.43.4 Impact on Business Procedures

Side tracking spreadsheets (translators) should be phased out as a result of now getting commitments daily and actual amounts daily into Lawson. LBI can be used to replace the side tracking spreadsheets (translators) by writing customized reports utilizing Lawson tables.

2.43.5 Anticipated Benefits

- Daily Reporting from Lawson that includes actual amounts and commitments and encumbrances
- One Source of the Truth
- Ability to get amount remaining from Lawson daily

2.43.6 Tasks for implementation

- Leadership to communicate the explicit purpose and goal for not keeping the translators to staff
- Test functionality as described on this document
- Write reports to replace each specific budget side tracking spreadsheet (translator) after Lawson AC has been implemented to use these features. Consider AC08 Structures for choosing Activity Groups as a result of reporting requirements specific to each program or sub-program.

2.43.7 Recommended Timing

Part of the Lawson Activity Re-Implementation.

2.43.8 Dependencies

Lawson Activities should be re-implemented as part of getting AC Coding Block Commitments by system code. GL Coding Block Commitments and Encumbrances can go live in tandem with the AC re-implementation since the GL Side will track Fund and Program funds remaining.

2.44 It would be good to be able to see Lawson AC financial data come through the link to Project Portfolio. There is a link now, but only to the code itself.

2.44.1 Description of Current State Process

Part of the solution is to correct the lack of one-to-one relationships between Lawson AC and Project Portfolio. It was pointed out that Project Portfolio has a way to specify an activity for each project in Project Portfolio. However the activity is not a required field in Project Portfolio and also is not a one to one relationship from Project Portfolio to Lawson AC – meaning that currently running an AC report won't necessarily be exclusive to that project portfolio project, preventing Lawson AC financial data from achieving proper alignment to the link to budget code in Project Portfolio.

2.44.2 Description of Future State Process

Please see 2.31 for discussion on alignment of Lawson/BuDs with Project Portfolio. Once that alignment is achieved via the re-implementation of Lawson Activities then as a result of that re-implementation financials can be produced. Financials can be created via LBI, with dashboards created to provide daily financial information.

Standard Lawson reports can also be used such as the Activity Analysis AC410 and Commitment Detail AC298 to report basic information including commitments by system code on the AC298. Customized LBI reports will be useful to capture from Lawson's table some of the more detailed information that appears now on the side tracking spreadsheets (translators).

The link to Project Portfolio to Activity Code Should become required and should be re-configured to point to the new corresponding activity as a result of the re-implementation of Lawson AC. This field would be populated as part of the interface from Lawson AC to create each project in Project Portfolio that would need to run daily.

2.44.3 Impact on Lawson Configuration

Please see the Activity Design Document for more detailed configuration requirements to re-implement Lawson AC. The document gives the configuration that would allow for financials from Lawson AC to align with Project Portfolio Projects. In addition please see 2.31 for how it would be aligned.

2.44.4 Impact on Business Procedures

- Coding Block for Lawson AC will change and replace the H#. The numbers in other systems will now be identical to Lawson AC for all numbers including Loan and Grant Number and Project Portfolio Project Number in Lawson AC.
- Emphasis goes to detail coding in Lawson AC. The efforts and input will shift to “upstream” instead of “downstream” after data is already in Lawson as is currently done by populating side tracking spreadsheets (translators) “downstream”.

2.44.5 Anticipated Benefits

- Daily financials to an LBI dashboard for Project Portfolio projects.
- More detail in Lawson for enhanced reporting, budgeting, etc.

2.44.6 Tasks for implementation

- Write reports to replace side tracking spreadsheets (translators)
- Include reporting in an LBI dashboard for daily use
- Distribute reports to relevant users daily
- Update Project Portfolio system and business processes

2.44.7 Recommended Timing

- Part of the re-implementation of Lawson Activities.

2.44.8 Dependencies

- Lawson AC Re-implemented

2.45 We would like to see a dashboard report from Lawson that distributes reports automatically and gives budgets to actual

2.45.1 Description of Current State Process

Need a dashboard to easily get financial data from Lawson to Project Portfolio.

2.45.2 Description of Future State Process

Please see 2.42 above for future state recommendations on this.

2.46 Sometimes an activity is overly restrictive on which program area categories it will allow. Many projects touch multiples, like plans and strategies (392) for revitalization, along with infrastructure (400s), and maybe even (200s).

2.46.1 Description of Current State Process

The AC07-Account Assignment is overly restrictive in some cases.

2.46.2 Description of Future State Process

Design Lawson AC Activity Groups to set the Account Assignment (AC07) at as high a level as possible to prevent the need for creating an AC07 for each new Activity (AC10). This will reduce maintenance and allow for more attention to be given to each one setup to improve accuracy and to help prevent the amount of times that AC07 is set overly restrictive.

2.46.3 Impact on Lawson Configuration

When AC07 is set at a higher level the structure can be more carefully designed to help prevent over restriction since there will be less of these to setup. By not setting at the Activity bottom level it will need to be open more widely in some cases since it has to accommodate more activities than one. To prevent this disadvantage of placing AC07 at a higher level projects should be carefully grouped to make sure that the activities it is set to define GL Account for have the same basic fund and program needs.

2.46.4 Impact on Business Procedures

Less maintenance to AC07 will occur when set at a higher level so procedure will no longer require setting up an AC07 each time a new activity (AC10) is created. Since more activities (AC10) will be needed with the new design to reduce side tracking spreadsheets (translators) it will increase the importance of reducing the number of AC07 forms needed to prevent increased maintenance.

2.46.5 Anticipated Benefits

- Less rejects from overly restrictive AC07 forms
- Less maintenance by having less AC07's to maintain

2.46.6 Tasks for implementation

Re-implement Lawson Activities considering AC07 as part of the Activity Group (AC00) settings

2.46.7 Recommended Timing

Part of the Lawson Activities re-implementation

2.46.8 Dependencies

See 2.31 for Lawson Activity re-implementation dependencies.

2.47 Systems are not properly integrated and duplicate data input occurs sometimes.

2.47.1 Description of Current State Process

All program contact information for financial assistance recipients are entered into both ACT! and Mitas resulting in duplication of effort.

2.47.2 Description of Future State Process

An interface should be added to correct this double entry issue. The interface would be built to import data from ACT! to the loan servicing/origination software for pipeline from ACT! that results in the need to proceed to the loan servicing/origination software.

Lawson AC implementation design and the ACT! Upgrade will need to be closely aligned to make certain that the integration is successful. Although the integration will need to be with the Loan Servicing product, development of entities and attributes should align throughout the systems.

2.47.3 Impact on Lawson Configuration

There is no direct impact on the Lawson Configuration since this impact is between ACT! and the loan servicing/origination software. If fields are needed in ACT! to create such an interface from ACT! to the loan servicing/origination software then the appropriate fields and or configuration changes would be required to facilitate the new interface.

2.47.4 Impact on Business Procedures

This new interface would reduce or eliminate the double entry from this pain point.

2.47.5 Anticipated Benefits

Less manual input and greater accuracy and consistency between ACT! and loan servicing/origination.

2.47.6 Tasks for implementation

Create Interface and any field changes needed to accommodate the interface.

2.47.7 Recommended Timing

Integrate systems to prevent duplicate data input before the Lawson AC Re-implementation is complete and as part of any re-implementation of Loan Servicing/Origination system.

2.47.8 Dependencies

Mitas re-implemented or replaced before interface between ACT! and Mitas should be written. Communication between projects is critical between any ACT! upgrade project and the Mitas replacement and Lawson projects.

2.48 Lawson FB/GL and AC Budgets are not designed to link together the way PDC requires it. Work around exist by linking via user fields and maintaining two separate budgets.

2.48.1 Description of Current State Process

Lawson is designed to have GAAP budgets in GL and separate project budgets in AC. Because budgets are built to have funds, programs and centers in GL and projects in AC, and those are connected closely to AC projects; the budgets are done together and loaded as such. A link in FB user fields allows for a connection to keep the two in balance.

2.48.2 Description of Future State Process

The work around in place at PDC for GL to AC budgets in Lawson is still the best solution to the issue and should not change. What will change is the way that AC is used once re-implemented as described in 2.31 and 2.39 of this document earlier. The current H# Posting Activities will no longer be active since they will contain history only. The new Posting Activities that would be numbered using the new Loan/Grant numbers and Real Estate Coding and Project Portfolio numbers would become the new numbers that budgets would be budgeted against in Lawson AC. Lawson GL would be unchanged in regards to budgets. As a result of the higher level design changes in Lawson AC coding must also necessarily change for the Activity field in Lawson and BuDs to match the Loan, Grant, Real Estate and Project numbers.

2.48.3 Impact on Lawson Configuration

Please see Future State AC Design Document and 2.31 and 2.39 of this document for more details on changes to the Lawson AC configuration as it relates to Activity coding and budgets.

2.48.4 Impact on Business Procedures

UDD and Budget will need to coordinate to arrive at new depths of budgets and new coding scheme for Activity – not for GL. Please see 2.31 for alignment topic for more detail and Activity Design Document for more details.

2.48.5 Anticipated Benefits

Please See 2.31 for a list of benefits of the re-implementation of Lawson Activities.

2.48.6 Tasks for implementation

Please see 2.31.

2.48.7 Recommended Timing

Result of Lawson AC re-implementation.

2.48.8 Dependencies

Numbering Scheme from Loan Servicing Loans and Grants and Real Estate and Projects.

2.49 General Fund - need to be very specific about these funds

2.49.1 Description of Current State Process

Because of the visibility and expectations for General Fund reporting to the City, there is an elevated business need for detailed reports that explain the relationship of expenditures to programs and goals supported through this funding source. PDC is required to provide detailed information on expenditure (year to date budget to actual) while referencing how these expenditure contribute to planned deliverables. Collecting the information on a monthly "as-needed" basis is very labor intensive; i.e. starting over each month.

2.49.2 Description of Future State Process

The fields available "upstream" in Lawson are limited in size for adding enough detail to ease the chore of reporting on what was expended and committed/encumbered from the General Fund. As a result detail that makes up the amounts coded to the General Fund can be difficult to explain from the limited fields available in Lawson. "Upstream" is defined as RQ, PO, AP and GL modules of Lawson where most transactions originate. It will help when the document imaging project goes live because AP invoice images can then be pulled up in Lawson to supplement the lack of field size for RQ, PO and AP – which will help explain what is going through these modules in the General Fund. In the past PDC has used the comments function when paying invoices however this is difficult to use consistently.

Because General Fund is by nature under such a high degree of scrutiny and as a result a high level of detail analysis frequently the ECM imaging project will help with this but will not fully automate such reporting. Unlike other funds, the General Fund will continue to require detail analysis that cannot by nature be fully systematized to eliminate such unique frequent analysis.

2.49.3 Impact on Lawson Configuration

Imaging will enhance reporting from AP invoice images to provide added online information from Lawson.

2.49.4 Impact on Business Procedures

Imaging will reduce the amount of times an invoice must be located in a paper file cabinet and used to do analysis for the General fund and reduce the level of effort to report on General Fund.

2.49.5 Anticipated Benefits

Slightly increased efficiency but still a cumbersome process to analyze and document what went through Fund because of the unique nature of the General Fund.

2.49.6 Tasks for implementation

None

2.49.7 Recommended Timing

N/A

2.49.8 Dependencies

N/A

2.50 Some project work is unfunded and as a result must either utilize the General Fund or gets attached to a another fund after the fact - so difficult to budget for these

2.50.1 Description of Current State Process

There is a business need to have some flexibility in fund allocations at the project level.

2.50.2 Description of Future State Process

PDC lacks the detail in Lawson currently because Lawson AC projects are recorded at a very high level. The proposed Lawson AC structure brings the actual entries down to a lower level to help analyze which funds were used for which projects. As a result the information needed to understand what funds have been used for which projects at a more detailed level will be available in the propose Lawson AC solution. The ability to reclassify a GL fund budget already exists in the GL. Now the added detail that will result in Lawson AC will give more information to make good choices when reclassifying a budget or actual by fund in GL.

2.50.3 Impact on Lawson Configuration

Lawson AC re-implementation will provide the detail added configuration to make better choices to adjust budgets or actual by fund in the GL.

2.50.4 Impact on Business Procedures

Added detail in Lawson AC will give the ability to see the detail to decide how to adjust fund budget and actual amounts in the GL.

Additionally there is a need for business rules around budgeting. For example; when does planning activity transition from indirect to a real project? There is probably a need for Project Planning Group which track pre-project activities that can be moved to an actual project if it is ultimately funded.

2.50.5 Anticipated Benefits

Improved detail in Lawson to facilitate better fund adjustment decisions.

2.50.6 Tasks for implementation

Re-implement Lawson Activities.

2.50.7 Recommended Timing

A result of the Lawson Activities re-implementation

2.50.8 Dependencies

Please see 2.31 and 2.38

2.51 Managers in UDD are not always requiring people to use ACT! and Project Portfolio consistently and to update promptly - inconsistency results in incomplete input and therefore output

2.51.1 Description of Current State Process

Ownership of business information and processes need to be more clearly identified.

2.51.2 Description of Future State Process

If it is indeed the case that this issue exists then it would be necessary to clearly identify which managers are not always requiring entry to these systems and remedy that situation. If this issue is incorrect then no action is required if no issue exists. There was conflicting input on if this issue exists or not so as a result this is being answer in terms of if the issue indeed exists or not.

The work currently underway to redefine Business Intake and Outreach should bring clarity to entry requirements for business information.

2.51.3 Impact on Lawson Configuration

None

2.51.4 Impact on Business Procedures

Implement a policy to promptly input to ACT! and other systems promptly and enforce it. If a policy already exists enforce. If already enforced then there then there is no issue and no need for further action.

2.51.5 Anticipated Benefits

Consistent and timely entry to these system help ensure that the resulting data that would feed to Lawson would be timely and complete.

2.51.6 Tasks for implementation

Implement a policy and enforce it as outlined in this section. Have leadership send consistent messages and reinforce the culture to follow it up.

2.51.7 Recommended Timing

Immediately

2.51.8 Dependencies

None

2.52 UDD business rules keep changing and evolving - and there is a lack of business rules right now such as to require data go into systems consistently and timely.

2.52.1 Description of Current State Process

Changing business rules and lack of them impact data input consistency and timeliness. UDD business processes are undergoing a great deal of organizational change and business rules have become unclear. PDC knows they need to clarify and document emerging business processes.

2.52.2 Description of Future State Process

Many of the pain points in this section of this document are pain points related to the need to create new business policies. This is a natural byproduct of the rapid changes PDC has experienced over the past few years with the change in focus and re-organization of UDD and now most recently with the eminent exit of PHB. As a result it is clear that PDC and particularly UDD have been experiencing rapid changes that have left the business rules out of date and lacking according to the pain points listed in this document. It is also recognized that PDC is aware of these business policies that need to be developed and is interested in working on filling the existing gap.

The work currently underway to redefine Business Intake and Outreach should bring clarity to entry requirements for business information.

2.52.3 Impact on Lawson Configuration

Many of the pain points listed were lack of current business rules and policies as a result of the changing environment at PDC. Correcting this will allow the best configuration decisions of all systems involved.

2.52.4 Impact on Business Procedures

Newly updated Business Rules will have a direct positive impact on Business Procedures.

2.52.5 Anticipated Benefits

Clear and updated business rules will help PDC to better adapt to rapidly changing environment.

2.52.6 Tasks for implementation

Gap should be filled prior to implementation and continued gap fill during implementation according to priority.

2.52.7 Recommended Timing

Timing should be Immediate and ongoing. The more rapidly PDC is able to address these gaps in business policies the sooner PDC will benefit from correcting this area. Since resources continue to be an issue for PDC the sooner these items are corrected the sooner PDC will be ready to meet the coming projects such as implementation of Lawson AC and related systems.

2.52.8 Dependencies

Resource constraints continue to make filling this gap a challenge that are exasperated by the recent staffing reduction in force.

2.53 We would like to see a dashboard report from Lawson that distributes reports automatically and gives budget to actual with ease

2.53.1 Description of Current State Process

Need to get reports from Lawson for budget to actual in a dashboard report that is distributed automatically and gives information with ease.

2.53.2 Description of Future State Process

Please see 2.44 for future state recommendation. Outcomes reporting from Lawson needs to be evaluated during the implementation as a critical piece of reporting.

2.54 Put proposed and amended budgets in as early as created but before approved so you can see the budget in Lawson before it is approved to know what's coming

2.54.1 Description of Current State Process

Budgets that are close to full approval and loading to Lawson are not available yet in Lawson. Only the approved budget is systematized. Managing budgets is very difficult without being able to use draft budgets, budget amendments, and year-end balances to clearly identify carry-over funds.

2.54.2 Description of Future State Process

This pain point is a logistical issue and a legal issue. While it is true that there would be a benefit to bringing a pending budget into Lawson earlier than when fully approved and ready, care needs to be taken to do so in a way that would not cause such a budget to be treated as if it were approved when it is not yet to that stage. If PDC could load such a budget to an area where it could be treated as valuable information but not yet the legal adopted budget then it would add value to decisions from financial reports out of Lawson. However, if used improperly it could cause budgets to be used that are not properly completed yet. First create a concise business policy and rules surrounding the acceptable use of such an “early” budget in Lawson before it becomes the legally adopted new budget. Reporting could also be an issue since it’s not always easy to point a report to both places without pre-planning and without creating confusion on this budget topic.

2.54.3 Impact on Lawson Configuration

Business rules would need to be carefully considered before configuring Lawson’s budget tables with such information to prevent misuse or confusion connected with such early imports of budget information. Should this be implemented carefully then another range outside of the current range of budgets in Lawson could be used to accomplish such a budget. Appropriate reports could be copied and re-pointed at the “early” budget and then controlled accordingly to prevent mistaken use of the “early” budget data.

2.54.4 Impact on Business Procedures

Strong business policy would need to be in place when PDC has not had a great recent history of such strong business policy. As a result any implementation of such a solution using an “early” budget should be carefully considered before actually moving forward with such a solution to assure that benefits outweigh the potential problems involved in such a solution.

2.54.5 Anticipated Benefits

If potential benefits do outweigh potential risks of this solution then it should be carefully implemented.

2.54.6 Tasks for implementation

Create a strong business policy. Then create reports that point to such budgets.

2.54.7 Recommended Timing

Can Implement Immediately with the business policy as the pre-requisite.

2.54.8 Dependencies

Need to first have a strong Business Policy and a Risk Management agreement in place.

2.55 Architectural Issues – Multiple databases that could be eliminated.

2.55.1 Description of Current State Process

Data does not currently come from one single accurate source. Instead, data is being pulled from multiple databases that don't always match. Multiple sources of the truth exist now that side spreadsheets and other side tracking methods are used. Much of this side tracking has been done because interfaces only happen monthly rather than daily. As a result, side tracking spreadsheets (translators) track what otherwise could be tracked in the system real time instead. Side access databases also are used now with a review of that underway.

2.55.2 Description of Future State Process

See 2.42 for a detailed explanation of the eight causes of side tracking spreadsheets and other side databases. In addition to 2.42 for side tracking spreadsheets (translators) many side-access databases exist such as ones to calculate entries for Mitas to Lawson differences and other work around solutions. These work around solutions have added up to many databases that can be eliminated as a result of this project's analysis on the topic. Please see the Access Database Analysis document for more detail on this topic.

2.56 Duplicate contact records are created in ACT! if a prospective borrower is eligible to different types of loans

2.56.1 Description of Current State Process

A business contact record in ACT! contains the Loan Type field – this defines the type of loan that the prospective borrower might be eligible for. In the current PDC environment, a borrower can be eligible for more than one type of loan. The system, however, allows only one Loan Type value to be assigned to a contact record which results in the process to create multiple records for the same contact.

2.56.2 Description of Future State Process

Upgrades to ACT! are planned by PDC to partially remedy the database limitation that currently exists in ACT! When this is corrected by that separate project ACT! would have better database ability to remedy this reporting issue. A separate non-system issue is trying to create a record of relationships between companies that may use PDC programs under an LLC, then as an individual, then as a Corporation, etc. Since it's impossible in some of these situations for PDC to have full knowledge of such relationships without disclosure from the entities involved this may not be something that can be fully resolved by its very nature. This is not to say that an attempt to relate entities when PDC can get knowledge of the relationships would not benefit PDC in administering its programs by populating a field with an identifier to do so.

This will not be addressed as part of FSC.

2.56.3 Impact on Lawson Configuration

Configurations within the recommended structure in Lawson will need to give similar level flexibility as budgets already will. However, to include borrower/company level detail to the outcomes reporting most outcomes will need to be reported at the bottom level of loan/grant, sub-project, etc. As a result, decisions on how outcomes are split out or not split out and how the related total outcomes would also be measured will need to be decided during the implementation as part of the full solution of outcome reporting from Lawson.

2.56.4 Impact on Business Procedures

Would require Business Rules about how to establish the relationships needed to tie together various types of entities. The business rules could be used to tie together related entities in ACT! and to report accordingly once this is accomplished.

2.56.5 Anticipated Benefits

Greater ability to report on related or same entities in ACT!

2.56.6 Tasks for implementation

Create Business Rule and implement after ACT! database updated to accommodate this. Implement Reporting solutions to benefit from such changes and updates once Business Rules are in place.

2.56.7 Recommended Timing

Implement immediately once business rules are in place and database changes to ACT! are in place.

2.56.8 Dependencies

Business Rules in place and database changes are completed.

2.57 Real time (daily) status of fund budgets balances is not available in ACT!

2.57.1 Description of Current State Process

ACT!'s primary use is to track contacts and relationships between PDC/UDD and potential borrowers/grantees from the various funds under PDC's management. The availability of current fund balances that take into account encumbrances, commitments and actual expenditures is critical. This information is not available due to the lack of timely integration between Mitas, ACT! and Lawson.

2.57.2 Description of Future State Process

Please see 2.42 for a future state on how to align budgets within Lawson. Pipeline financial data from ACT! can then be added to a daily LBI report to provide funds remaining on a daily basis. All project financial data, with the exception of pipeline should reside in Lawson. The report would combine ACT! Pipeline data with Lawson Commitments, Encumbrances and Expenditures against budget to arrive at funds remaining on a daily basis. Budgets in Lawson, not ACT!.

2.58 Lack of consistent business rules and compliance for data entry of contact and loan information in ACT!/Mitas

2.58.1 Description of Current State Process

The ACT! application is currently utilized by UDD for tracking and managing contact information on existing and potential borrowers. Once a borrower submits a loan application, information about the loan application, approval and initiation processes are tracked in both ACT! and MITAS. Additional project and business outcome information is tracked about the business applicant.

2.58.2 Description of Future State Process

Please see 2.47 about lack of interface between ACT! and Mitas. Additional Business Rules are needed to clarify when data is keyed to ACT! vs. a New Loan System. There also is a lack of business rules surrounding when to change information in ACT! as a result of changes in Mitas and when not to. Clear business rules need to be established.

All financial related data regarding a loan should reside in the New Loan System. As a part of this future state, users of ACT will need to have ready access to reports on the status of loan applications, approvals and the initiation process.

2.59 Difficulty in accessing supporting documentation

2.59.1 Description of Current State Process

Documents related to financial assistance programs were formerly stored in the ACT! system. The documents are now collected in ECM (Enterprise Content Management) but a link does not exist between ACT! and ECM

2.59.2 Description of Future State Process

Continue project work to build the ECM solution to solve this pain point already being addressed by the ECM project.

2.59.3 Impact on Lawson Configuration

Imaging available to AP Invoices and other documents that PDC may choose to add to Lawson's forms via ECM.

2.59.4 Impact on Business Procedures

Less need to stop and look up data that will now be available in Lawson via imaging.

2.59.5 Anticipated Benefits

Greater efficiency in seeing source documents online within Lawson.

2.59.6 Tasks for implementation

Completed via separate project before Lawson implementation begins.

2.59.7 Recommended Timing

Already underway

2.59.8 Dependencies

Underway – none remaining.

2.60 Loan pipeline information is not integrated with up to date available fund/program balances

2.60.1 Description of Current State Process

Dashboard and performance reports exist where a full view of loan balances are required to include amounts in the pipeline status, approved loans, encumbrances and actual disbursements.

2.60.2 Description of Future State Process

Please see 2.43 for integration reporting to include pipeline financial information via LBI daily report.

2.61 Future dated commitment amounts are not properly reported

2.61.1 Description of Current State Process

One the most pervasive pain points with the current business processes is the lack of a consistent methodology to record and report on encumbrances. More specifically, the current systems, as implemented, are not configured to capture encumbrances by year for multi-year contracts. The resulting pain point is that encumbrances are often overstated as the full amount on a multi-year contract is entered for the current year when it should have been distributed over future years.

2.61.2 Description of Future State Process

Lawson has the current functionality as currently configured in the live product line to account for future dated commitments. Lawson does accept future dated purchase orders that can act as a future fiscal year commitment in Lawson. It is recommended that PDC immediately start separating out these into fiscal year to resolve this important topic and record the purchase orders accordingly to separate out commitments by fiscal year.

2.61.3 Impact on Lawson Configuration

None – only a usage change is needed in how information is entered into Lawson. Lawson is already configured to accept future dated fiscal year purchase orders that can be tracked by fiscal year in Lawson. The future re-implementation of Lawson AC will allow more detailed level of such commitments as desired once Lawson AC is re-implemented.

2.61.4 Impact on Business Procedures

Requires coordination between Budget, Project Owners and Professional Services to help separate out amounts by fiscal year and record the amounts accordingly. Also requires a PDC-wide ability to stop using current year commitments as a way to “reserve” funds that might not be used before “someone else” gets the funds first. Such “reserving” can cause under expenditures for a fiscal year that can lead to the underperformance via under-spending by PDC for the fund(s) involved.

2.61.5 Anticipated Benefits

- Enhanced accuracy in funds remaining amounts for the year and commitment amounts
- Less under-spending as a result of incorrect fiscal year commitments
- Better ability to budget for future fiscal years
- Better ability to plan for cash flow requirements and plan for cash financing needs more accurately
- More accurate reporting

2.61.6 Tasks for implementation

- Create business policies surrounding what is encumbered, when, for which fiscal year, etc.
- Identify expected expenditures by fiscal year.
- Separate out encumbrances by fiscal year and then record in Lawson PO by fiscal year
- Create Reports that utilize the newly recorded PO future year encumbrances for use

2.61.7 Recommended Timing

Begin steps immediately and implement as each step is completed.

2.61.8 Dependencies

Implement steps in order listed with no prior dependencies to implementation steps listed above.

2.62 Need to track, via spreadsheets, Storefront by Client Business, by fiscal year, by disbursed, undisbursed and committed by service contract. Currently cannot do this in Lawson since we lack daily interfaces and current detail information in Lawson without integration to other systems such as the ACT! pipeline.

2.62.1 Description of Current State Process

The Storefront budget side tracking spreadsheets (translators) currently needs to be filled in and tracked manually because all stores are in one Storefront activity in AC10. AC lacks the detail broken out by Storefront to allow for Lawson to track this instead of the current tracking in Excel. Lawson also does not

2.63 Challenging to create a budget because every year procedures and systems change just as getting used to it.

2.63.1 Description of Current State Process

Hard to gather and compare data when it ends up a moving target.

2.63.2 Description of Future State Process

Please see 2.61 for fiscal year budget solution and 2.41 for lack of detail Lawson AC solution for tracking actual at a detail level to be used to budget going forward.

2.64 Lack of business rules regarding contracts that cross fiscal years for budgeting, encumbrances and how to appropriate and identify leftover encumbrances to be considered for future year appropriations

2.64.1 Description of Current State Process

There is a lack of consistent business and system process right now to identify future year encumbrances and appropriate accordingly. In some cases amounts are being encumbered to the current year when it is for a future fiscal year. In other cases amounts are not being encumbered or tracked at all, making budgets difficult to create.

2.64.2 Description of Future State Process

Please see 2.61

2.65 Cannot see encumbrances in the future year(s) and system not automatically moving encumbrances from year to year

2.65.1 Description of Current State Process

Duplicate of previous pain point 2.64.

2.65.2 Description of Future State Process

Please see 2.61

2.66 Many instances where we have to enter the same data into many different systems and or spreadsheets

2.66.1 Description of Current State Process

Currently, it's necessary to key data into the systems multiple times. For example, data must be entered into ACT!, then again in Mitas, then again in Lawson, and finally in a spreadsheet to track it. Sometimes a different value is entered from the lack of controls to prevent multiple versions of the "truth".

2.66.2 Description of Future State Process

Please see 2.45 for ACT! to Mitas need for interface, 2.41 to eliminate side tracking spreadsheets (translators).

2.67 Hard to get data into Mitas because of the approvals required in Mitas.

2.67.1 Description of Current State Process

Comment that approvals in Mitas make it laborious to enter data into Mitas.

2.67.2 Description of Future State Process

Further investigation of this pain point led to confirmation that multiple approvals are needed to get a loan or grant funded via Mitas. Further discussions led to the conclusion that these are appropriate controls in place to promote proper control of funding. As a result no changes are recommended to the prudent approval controls currently in place in Mitas.

2.68 Lack of comprehensive system for reporting

2.68.1 Description of Current State Process

Reports can be difficult to create and require manual intervention when they could be automated and easily obtained.

2.68.2 Description of Future State Process

Comprehensive reporting will be available when the recommendations made in this document are followed. Reports will then be written from Lawson to replace existing laborious methods of reporting in favor of automated reporting from Lawson as the new streamlined solution.

2.68.3 Impact on Lawson Configuration

Major configuration changes as listed in this document – mostly in the Lawson AC re-implementation design document.

2.68.4 Impact on Business Procedures

Many of the solutions offered were to solve pain points connected to the need for updated Business Procedures which will lead to better use of the update systems that also result.

2.68.5 Anticipated Benefits

- Integrated reporting daily from Lawson and ACT! for pipeline from one daily report
- Additional reports from Lawson AC to replace budget tracking spreadsheets (translators) and to report on more detail as a result of the deeper structure in Lawson AC with attributes and other features that enhance the speed and quality of reporting.

2.68.6 Tasks for implementation

See all tasks from previous pain points as solving most of the pain points is what will result in this end result – enhanced reporting from Lawson.

2.68.7 Recommended Timing

The result of enhanced reporting from Lawson is from implementing the solutions offered in this document and in the Activities Design Document and in the Database elimination document.

2.68.8 Dependencies

Implementation of recommended solutions will result in the enhanced reporting from Lawson.

3 Updated Business Terms

The following is an explanation of the business terms referenced in this document

3.1 AC07 Form

Account Assignment form. Used to assign which GL Accounts are allowed for which AC10 Activities. This is the way to restrict which accounts are allowed for which activities.

3.2 AC10 Form / Posting vs. Summary Activity

Form that a Lawson Activity is created. A Lawson activity can be either Posting or Summary. Posting activities are part of the coding block that is used to record/post an entry to an activity. Posting Activities roll up to a Summary Activity in the AC Structure.

3.3 Accounting Unit

Built in GL20 form of Lawson – represents the “cost center” in the General Ledger.

3.4 ACT!

The ACT! application is a contact management software product developed and distributed by The Sage Group. The application is primarily a CRM (Customer Relationship Management) product and its core functionality is to manage and provide information on customer relationships and contacts with customers. The application is widely used by individuals and corporations for tracking sales contacts and relationships. It is being utilized by PDC to track initial contacts, related Outlook emails, and has custom fields to track other relevant contact information including information needed to start the origination process of loans and financial assistance.

3.5 Activity

Built in AC10 form of Lawson – represents the “activity” in the Project and Activity Module of Lawson, or the rough equivalent of a “cost center/project” in AC. An activity may either be a posting activity or a summary activity.

3.6 Activity Group form (AC00)

A form that each Activity (AC10) belongs to and serves as a grouping for defaults, reporting, level structures, etc.

3.7 Activity Structure form (AC08)

Form used to create summary accounts for one or more activity groups.

3.8 Activity (AC) Allocations

Similar to Cost Allocations (CA) below that allocates for GL balances, Project and Activity Accounting (AC) has its own allocations that can allocate based on Activity balances outside of the CA Cost Allocations for General Ledger.

3.9 AP Matching

Lawson's Matching (MA) module matches an AP invoice to a PO and PO receipt. When matching is complete the entry closes the Lawson commitment and converts the commitment to an actual entry by recording the entry and dropping the commitment.

3.10 Appropriated

An amount authorized by a legislative body for a program or to make expenditures and incur liabilities for a specified purpose

3.11 Appropriations budget

The legislatively approved budget that grants expenditure authority to programs in accordance with applicable laws.

3.12 Budget Edits

Lawson has the ability to "edit" a budget. That is, edit/check remaining budget to see if there is enough budget remaining to prevent exceeding AC budget when attempting an entry. Both GL and AC budget edits can be used.

3.13 Budget Side Tracking Spreadsheets (Translators)

Off ledger spreadsheets or databases that track detail further than currently tracked in Lawson. These are in many cases opportunities to use Lawson Activities in more detail now to allow for this to be tracked and stored in Lawson to replace the budget tracker offline tracking sheets and databases.

3.14 BuDS

The current system that holds and maintains the budgets before being interfaced to Lawson GL and AC for storage and use there.

3.15 BPR (Business Process Review)

Business Process Review Document

3.16 Budget Tracker Sheets

Off ledger spreadsheets or databases that track detail more extensively than currently tracked in Lawson.

3.17 Coding Block

The fields used by PDC to code an entry. Company, Accounting Unit, Account. The remaining coding block is the AC coding block of Activity and Account Category.

3.18 Cost Allocations (CA)

Lawson has an allocations module to allocate General Ledger (GL) balances or calculations thereof. The calculation feature can use statistical values to create entries using formulas and calculations.

3.19 Dashboard

At-a-glance look at data from a system. A dashboard can be setup in LBI and also already exists in Project Portfolio.

3.20 Data Warehouse

This term is used loosely here at PDC to mean tables of data collected from other sources. This is not meant to be a data warehouse from Lawson's ability to create a data warehouse.

3.21 DDA

Development and Disposition Agreement. Many of the UDD projects involve this type of agreement.

3.22 Drill Around

Lawson's tool to drill from summary data down to the detail data.

3.23 Encumbrances

A commitment to purchase goods or services. Lawson has two types of encumbrances – one for the GL Coding Block and another separate set of encumbrances for the AC Coding Block. For the GL, Lawson names it a commitment for requisitions, then renames it an encumbrance once a PO is created in Lawson. This is separate and apart from pipeline tracking, which is not a commitment, encumbrance or a pre-commitment.

3.24 Enterprise Content Management (ECM)

TRIM Software to store and distribute scanned images and content.

3.25 FB11 Form

Lawson's Budget Edit Group Form. Used to setup GL budget edits in a variety of ways in the GL Structure.

3.26 GAAP

Generally Accepted Accounting Principles.

3.27 GL Calendar

The calendar setup in Lawson's GL for the "Lawson GL Company" used by PDC to establish the month end calendar dates for the PDC fiscal year.

3.28 GASB 53 & 54

GASB recently issued Statements 53 & 54. Statement No. 53, effective for reporting after June 15, 2009, governs the way in which organizations report the fair value of derivative instruments. The whole measure is designed to give citizens a more transparent look at their government's risk taking and investment strategies. Statement No. 54 regulates the way government reports the balances of its various funds both specific purpose type and general funds. Statement No. 54 (A.K.A Fund Balance Reporting and Governmental Fund Type Definitions) aims to remove the confusion from the fund balance reporting issues adding a level of transparency regarding funding and liquidity. Both Statements are multifaceted and somewhat complex. Furthermore they are open to interpretation which may cause some confusion among the reporting entities.

3.29 GL Calendar

The calendar setup in Lawson's GL for the "Lawson GL Company" used by PDC to establish the month end calendar dates for the PDC fiscal year.

3.30 GLTRANS Table

The Lawson table that contains debit and credit transactions in Lawson.

3.31 Lawson

Lawson is the Enterprise Resource Planning (ERP) software used by PDC to track Accounting, Projects, Procurement, Payroll, etc. The main benefit from the proper use of an ERP is to be the system of record that ties multiple areas together with drill around and other features to help with the tight integration of data. Drill Around is Lawson's feature to allow drilling from one area such as GL into source data within Lawson such as a PO according to security settings put in place.

3.32 Lawson AC

Project and Activities Module. Used for Project Accounting. System provides ability to structure summarized multi-level reporting. Allows the system to track detail and keep it in balance in the summary structure. Allows for budget to actual reporting. Allows for customized summarization

of detail accounts for various groups within the structure. Prevents the need to use side tracking spreadsheets when data is captured at the right level within the system. Allows for resource tracking such as employee resource, AP vendor resource, asset resource, etc. Allows for allocations. Allows for hours and statistical entries. PDC has General Ledger set to capture Fund, Program and Center. As a result Lawson AC does not typically need to capture this level since it's part of the GL coding block for each transaction.

3.33 Lawson FB

Lawson Financial Budgets. This is the module that holds the budget for the General Ledger Module. This module has very basic features to spread budgets, calculate budgets, etc. For more robust budgeting it is typical to create the budget in an external system and load the budget. PDC is using the FB40 budget entry forms to load budgets via Excel Add-in's to track changes.

3.34 Lawson GL

General Ledger Module. Records the transactions as a result of the General Ledger Coding block. General Ledger becomes the reporting center for what is tracked in the General Ledger. The General Ledger's PDC structure includes Fund, Program and Center as part of the GL Section of the Coding block.

3.35 Lawson AM

Asset Management Module. This module stores fixed assets. Assets stored in this module can be depreciated and grouped for reporting. Entries can be sent to the General Ledger to record the resulting asset addition, disposal, transfer, depreciation, etc.

3.36 Lawson AP

Accounts Payable Module. This module records, reports and pays invoices due to payable vendors. This module interacts with the Lawson Matching (MA) module by matching an AP invoice to a Purchase Order and Receipt from PO. This module updates the General Ledger with payable liability detail reports in AP.

3.37 Lawson AR

Accounts Receivable Module. This module tracks customer invoices and the resulting receivables. Built in interfaces exist to record the financial entries to the General Ledger. Reports are built in to include aged receivables, detail customer balance listings, etc. Cash receipts can be interfaced to Lawson Cash Ledger for cash applications. Many automated features exist such as customer ACH, customer invoicing, dunning notices, statements, etc.

3.38 Lawson CA

Lawson has a cost allocations module to allocate General Ledger (GL) balances or calculations thereof. The calculation feature can use statistical values to create entries using formulas and calculations.

3.39 Lawson CB

Cash Ledger Module. This module provides capability to track cash detail entries from AP for payments, AR for receipts, and directly to Cash Ledger for miscellaneous receipts and payments to bank accounts. Reporting by bank, bank account, currency are features of this module. Bank Reconciliations are the byproduct of a properly planned setup of Lawson Cash Ledger.

3.40 Lawson Commitments

In Lawson, commitments are tracked in a commitment table instead of booking debit and credit entries that would appear as a transaction in GLTRANS tables. Commitments are the way that Lawson records that a transaction is committed but not yet posted as an actual expenditure or entry. Commitments can be tracked by Lawson System Code. For example, RQ is the System Code for Lawson Requisitions. So, when an RQ10 record is entered to create a requisition in Lawson and the entry is released, it becomes an RQ commitment in Lawson when Lawson is set to track a commitment. For a purchase order, a commitment would be created in the PO System. Once the entry is posted to GL, it becomes a “GL actual” transaction and an AC Commitment. Once the entry is posted to AC, the commitment is totally gone and becomes only an actual.

3.41 Lawson MA

Matching Module. This module provides matching of an AP invoice to a Purchase Order and Receipt from PO. When an AP invoice is properly matched the AP Commitment is relieved and an AP Actual entry is ready to interface to the General Ledger for posting of an actual entry into GL.

3.42 Lawson PO

Purchase Order Module. This module is for recording and reporting purchase orders. Lawson’s commitments can be set to use the information in this module to record PO commitments for Lawson AC and or Lawson GL.

3.43 Lawson RQ

Requisitions Module. This module is for recording and reporting requisitions. Lawson’s commitments can be set to use the information in this module to record RQ commitments for Lawson AC and/or Lawson GL.

3.44 LBI

Lawson Business Intelligence. This is the product suite Lawson offers for reporting and dashboards including forecasting and planning solutions.

3.45 Mitas

The current software used by PDC to track loans, financial assistance, and loan servicing. Loan servicing is the process of calculating interest and payment amount, processing the collection of payments, and other features of maintaining a loan once the loan is initially funded or the credit line is opened up.

3.46 Mitas GL and GL Translator

The Mitas loan servicing application is delivered with its own General Ledger module. As such, the application requires the maintenance of a chart of accounts so that GL entries are assigned to individual loan transactions.

The GL translator is a custom process developed by PDC to translate and reformat the GL account fields as defined in Mitas to the appropriate format that is required for posting to the Lawson GL system.

3.47 New Loan System

A new loan initiation and servicing system to replace the Mitas application currently in use at PDC.

3.48 Pipeline

The pipeline is defined as leads from customer contacts that have yet to become full commitments but are tracked; mostly in Act! or side spreadsheets. At PDC currently, this could represent possible future legal commitments but still are short of a full commitment. Another term used at PDC for pipeline is “pre-commitment”, as distinguished from a full commitment.

3.49 Pervasive SQL/Btrieve

Btrieve is a transactional database product that is based on a technology known as Indexed Sequential Access Method (ISAM). The product was originally developed as database management software at the time the first IBM PCs were released. It was initially popular for PC based applications but it never gained significant market share as a backend database engine for large scale applications such as ERPs. It is currently published by a company called Pervasive Software and it is sold under the name of Pervasive PSQL.

3.50 Project Portfolio

This is the in-house PDC UDD project management software. This tracks projects, tasks, project manager, many attributes of the project, status, project Lawson AC Code, etc. It does not currently have financials linked to it. The budget field, which should be required, is not.

3.51 Statistical Accounts

Accounts setup to track statistical data such as payroll hours, building square footage, number of clients served, etc. These statistics can be setup as "statistical accounts only" in Lawson, or they can be setup to be associated with existing accounts already set up to track dollars, such as allowing statistical hours to be tracked in payroll accounts that already track (salary) dollars.

3.52 Translator

A spreadsheet or database used to track data that was lacking on the system so it's tracked outside of the system(s). This is usually due to lack of daily alignment of data in Lawson that makes this

tracker necessary. Various terminology for this is used at PDC. In this document all were changed to the same terminology – “Side tracking spreadsheet (translator)”.

3.53 Under Performed

Not performing the services or purpose of the fund fully according to the appropriations.

3.54 Under Spent

Not spending all of the funds appropriated during the fiscal year.

3.55 URA

Urban Renewal Area

3.56 Workflows

Lawson’s workflow system allows for a more automated approval than is currently in place using email and other automated means to facilitate the flow of approvals and work.

4 Appendix A – Pain Points Cross Reference

The grid below highlights the eight issues for each pain point. In many cases one could argue that all eight issues relate to most every pain point. We only checked the main issues for each pain point, but most issues do relate to most of the pain points. Each pain point represents a verbatim comment of a staff person who was interviewed; therefore, you will note the repetition and duplication of the same issues.

System	Pain Point	To be Addressed By FSCA	Alignment	Depth of AC	Not Current	Interfaces – Double Entry	Commitments	Future-year commitments	Business Rules	Act Database
Project Portfolio	Project Portfolio does not currently link to Lawson GL/AC for any financial links/reporting	Y	X	X					X	
Lawson	Projects sometimes kept at high level in Lawson but then broken into more detail after the fact instead of putting into Lawson according to output needs.	Y	X	X					X	
BuDS/ Lawson	Project Managers would like to track budget information at a lower level than Budget is required to track a budget for a specific program or project.	Y	X	X					X	
Lawson	AC is setup without any real depth to projects right now – can better use levels to roll more than one project into a summary project when needed	Y	X	X					X	
BuDS/Lawson	Sometimes need to setup projects for actual at a lower level of detail than the budget goes in and still get budget edits as a result.	Y	X	X					X	
BuDS/Lawson	Have budget management at right level including the ability sometimes to book actual at a lower level than budgets or move budgets lower.	Y	X	X					X	

System	Pain Point	To be Addressed By FSCA	Alignment	Depth of AC	Not Current	Interfaces – Double Entry	Commitments	Future-year commitments	Business Rules	Act Database
BuDS/Lawson/Excel	Areas of budgets are not always fleshed out down to the level we need for reporting. It’s good to have high level budgeting in many cases, but so many people still have separate excel sheets called “Translators” that provide the detail. Since Lawson can do this, it would be good to move more quickly towards this (and phase out the Translators)	Y	X	X	X		X	X	X	
Project Portfolio/Lawson	Need Project Portfolio and AC setups to better correspond to get reports from Lawson AC and Project Portfolio to better correspond	Y	X	X					X	
Project Portfolio	Lack project definitions especially for business initiatives	Y							X	
Lawson	Project Code is a source of confusion right now since sometimes it’s a project, sometimes it’s a program, fund, etc.	Y	X						X	
Lawson	The way accounting describes a project seems to differ from the way project management standards (and UDD) define a Project. If this is having ramifications on the system, we need to align the terminology. I understand accounting to be referring to a code	Y	X						X	
Lawson/ Project Portfolio	Need Project Portfolio and AC setups to better correspond to get reports from Lawson AC and Project Portfolio to better correspond.	Y	X	X					X	
Overall	We can’t get good reports on what’s in pipeline overall – what’s committed, approved, encumbered, and spent. All of these matter, not only for projects but also for programs.	TBD	X	X	X	X	X	X	X	X

System	Pain Point	To be Addressed By FSCA	Alignment	Depth of AC	Not Current	Interfaces – Double Entry	Commitments	Future-year commitments	Business Rules	Act Database
Lawson	Can't report now on an RQ commitment in AC vs. PO to get a Budget to RQ to Actual Report. Although requisitions at this point are fairly narrow, as these are expanded out to all contracts (which they should be), this will get more important	Y	X		X	X	X	X	X	X
Project Portfolio	It would be good to be able to see Lawson AC financial data come through the link to Project Portfolio. There is a link now, but only to the code itself. I know this is far off though.	Y	X	X						
Lawson	We would like to see a dashboard report from Lawson that distributes reports automatically and gives budgets to actual	Y	X	X						
Lawson	Sometimes an activity is overly restrictive on which program area categories it will allow. Many projects touch multiples, like plans and strategies (392) for Revitalization, along with infrastructure (400s), and maybe even B&I (200s)	Y	X							
Overall	Systems are not properly integrated and double input sometimes to ACT!, Mitas, Lawson, or Excel Side tracking sheets.	TBD	X	X	X	X	X	X	X	X
Lawson	Lawson FB/GL and AC Budgets are not designed to be linked the way PDC requires it. Work around exists by linking via user fields and maintaining two	Y	X						X	
Overall	General Fund – need to be very specific about these funds	Y	X							
Lawson	Some project work is unfunded and either goes from General Fund or gets attached to a fund after the fact – so difficult to budget for these.	N							X	

System	Pain Point	To be Addressed By FSCA	Alignment	Depth of AC	Not Current	Interfaces – Double Entry	Commitments	Future-year commitments	Business Rules	Act Database
ACT!/Portfolio	Managers in UDD are not always requiring people to use the tools and update promptly – inconsistency results in incomplete input and therefore output.	N							X	
Project Portfolio	Only Tier 1 projects in UDD are required to be reported on in Project Portfolio right now – so lack all information for all projects in Project Portfolio.	N							X	
Project Portfolio	Not always adding a UDD project to Project Portfolio right when it's first known – no business rules or consistency for this yet. Things in silos.	N							X	
ACT!/Project Portfolio	A few UDD staff say Project Portfolio is great for tracking but does not help with their job and getting tasks done.	N							X	
ACT!/Project Portfolio	Staff has indicated that they are sometimes not sure if an activity belongs in ACT! or Portfolio.	N							X	
ACT!/Project Portfolio	UDD Business Rules keep changing and evolving – and there is a lack of business rules right now such as to require data go into systems consistently and timely.	TBD							X	
Lawson	We would like to see a dashboard report from Lawson that distributes reports automatically and gives budget to actual with ease.	TBD	X	X						
Lawson	Put proposed budgets in as early as created before approved so you can see the budget in Lawson before it is approved to know what's coming.	Y	X		X					
Overall	Architectural Issues – Multiple databases that could be eliminated	Y	X							

System	Pain Point	To be Addressed By FSCA	Alignment	Depth of AC	Not Current	Interfaces – Double Entry	Commitments	Future-year commitments	Business Rules	Act Database
ACT!	Duplicate contract records are created in ACT! if a prospective borrower is eligible to different types of loans	TBD								X
ACT!	Real time (daily) status of fund budgets balances is not available in ACT!	N	X		X					
ACT!/ Mitas	Lack of consistent business rules and compliance for data entry of contact and loan information in ACT!/Mitas	N							X	
Overall	Difficulty in accessing supporting documentation	N	X							
ACT!/Mitas	Loan pipeline information is not integrated with up to date available fund/program balances	TBD	X		X	X	X	X	X	X
Lawson	Future dated commitment amounts are not properly reported	Y						X	X	
Lawson/Mitas	Need to track via spreadsheets Storefront by Client Business, by fiscal year, by disbursed, undisbursed and committed by service contract. Currently cannot do this in Lawson since we lack daily interfaces and current detail information in Lawson	Y	X	X	X		X	X	X	
Overall	Challenging to budget because every year procedures and systems change just as getting used to it.	TBD	X						X	
Lawson	Lack business rules regarding contracts that cross fiscal years for budgeting, encumbrances and how to appropriate and identify leftover encumbrances to be considered for future year appropriations.	Y	X					X	X	
Lawson	Cannot see encumbrances in the future year(s) and system not automatically moving encumbrances from year to year.	Y						X		

System	Pain Point	To be Addressed By FSCA	Alignment	Depth of AC	Not Current	Interfaces – Double Entry	Commitments	Future-year commitments	Business Rules	Act Database
Mitas/ Lawson/ ACT!/ Spreadsheets	Many instances where we have to enter the same data into many different systems and or spreadsheets	TBD	X	X	X	X	X	X	X	X
Mitas	Hard to get data into Mitas because of the approvals required currently in Mitas	TBD	X							
Overall	Lack of comprehensive system for reporting	TBD	X	X	X	X	X	X	X	X
ACT!	Difficulty reporting from ACT!: For example – Mayor’s request for how many on MLK Blvd, to answer specific questions about tracking from ACT!. 11 URA’s, General Fund, Federal Grant Funds, hard to dice up and report from Mayor’s office information requests	Y								X

5 Appendix B – Interfaces Data Flow between the Loan System and Lawson

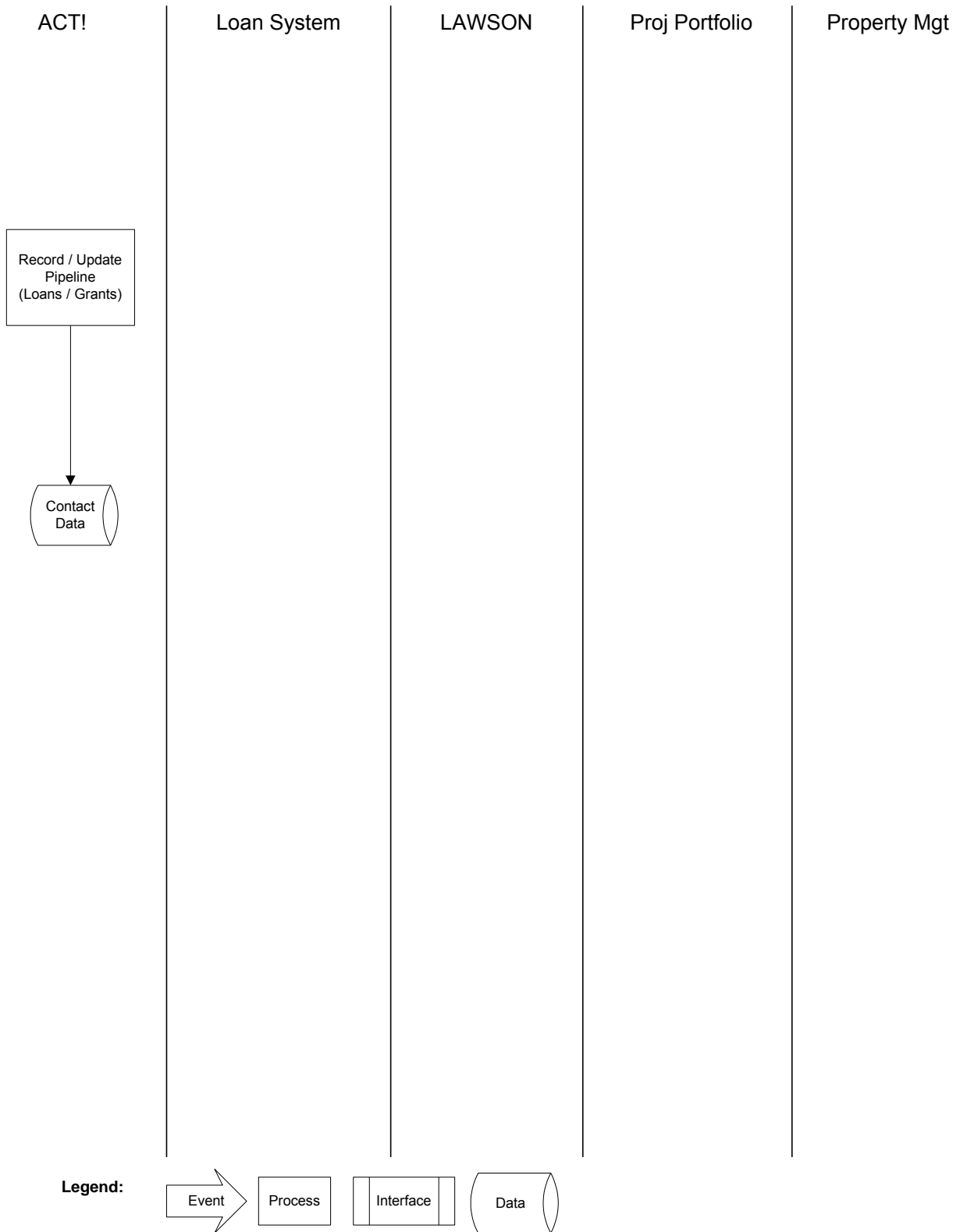
The primary characteristic of the new interfaces between the Loan System and Lawson is that the financial information on individual transactions will be extracted from the source system and interfaced to the target system on a daily basis at the close of the business day.

The following is a summary of the interface processes recommended for future state:

Source System	Transaction	Process
ACT!	Loan Pipeline	Loan pipeline information will not be interfaced to another system. Data will be extracted as needed by reporting tool (LBI)
Loan System	Loan Commitment	Interface to Lawson as a requisition transaction (RQ500)
Loan System	Loan Closing	Interface to Lawson with multiple steps through Process Flow and a purchase order interface (PO520)
Loan System	Disbursement Request	Interface to Lawson as an accounts payable invoice (AP520 or MA540)
Lawson AP	Payment record	Interface to Loan System payment date
Loan System	Loan payment	Interface to Lawson CB as cash ledger transaction
Loan System	Month End Balances	Interface to Lawson GL month-end loans receivable balances

The remainder of this section describes in additional detail the data flow and related processes for the various interfaces between the Loan System and Lawson.

5.1 Loans/Grants Pipeline



5.1.1 Process Description

Loan and grants pipeline information can be maintained and reported from ACT! or a replacement contact management application. The primary purpose of the pipeline information is for the management of fund balances

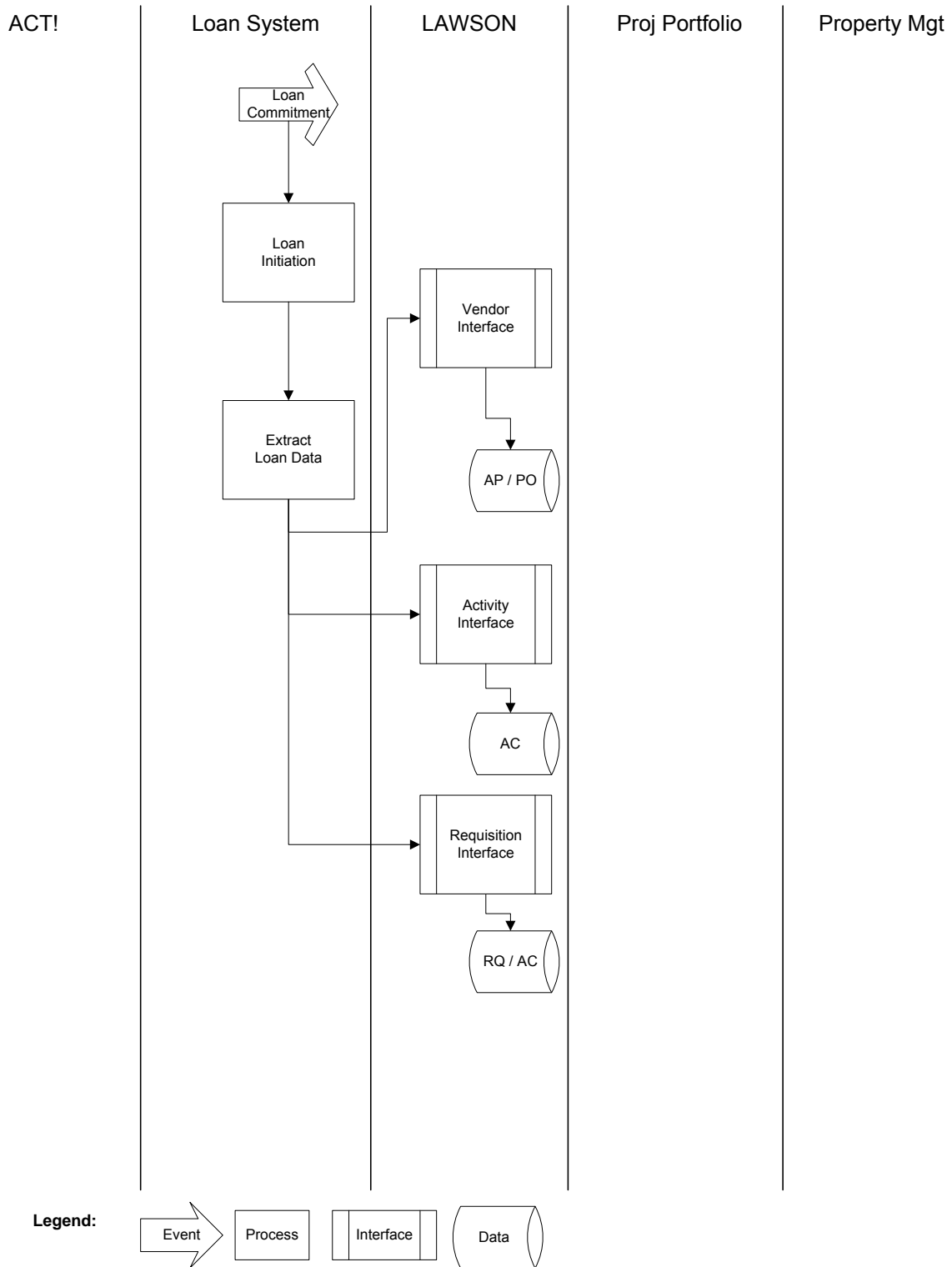
ACT!

SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
P	Enter pipeline information	As contact information about potential borrowers or grant recipients are entered in ACT!, the projected loan/grant amount, if entered, can be included in reports that include pipeline information	Rules for the maintenance of pipeline information must include: <ul style="list-style-type: none"> • Guidelines for the value of the loan or grant amount • Guidelines for defining a contact to be included in the pipeline reports • System will need the ability to define pipeline amounts by year (so that current year reports are not distorted with future year amounts) • System must validate the corresponding budget code (GL and AC) for proper reporting

5.1.2 Assumptions

- Pipeline information does not update financial systems
- Pipeline information can be extracted by reports replacing current budget trackers

5.2 Loan Commitment



5.2.1 Process Description

After a loan / grant application is received, review and approval process. Once approval is granted, a loan commitment letter is prepared and sent to the borrower. This event triggers the process described below.

Loan System

SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
E	Loan Commitment	After loan is approved, commitment letter is sent to borrower	Review and update workflow rules for: <ul style="list-style-type: none"> • Loan approval • Loan initiation
P	Loan Initiation	Update Loan Initiation / Servicing system	
I	Extract loan data	Daily extract program(s) that creates CSV files containing: <ul style="list-style-type: none"> • For a new borrower, extract contact information for creating a vendor record in Lawson. • Loan record to correspond to a posting activity • Loan commitment information to be interfaced to Lawson as a requisition 	Review and update workflow rules for: <ul style="list-style-type: none"> • Borrower information – required information for Lawson vendor interface (PO vendor) • Contractor – pay-to vendor • Loan number

Lawson

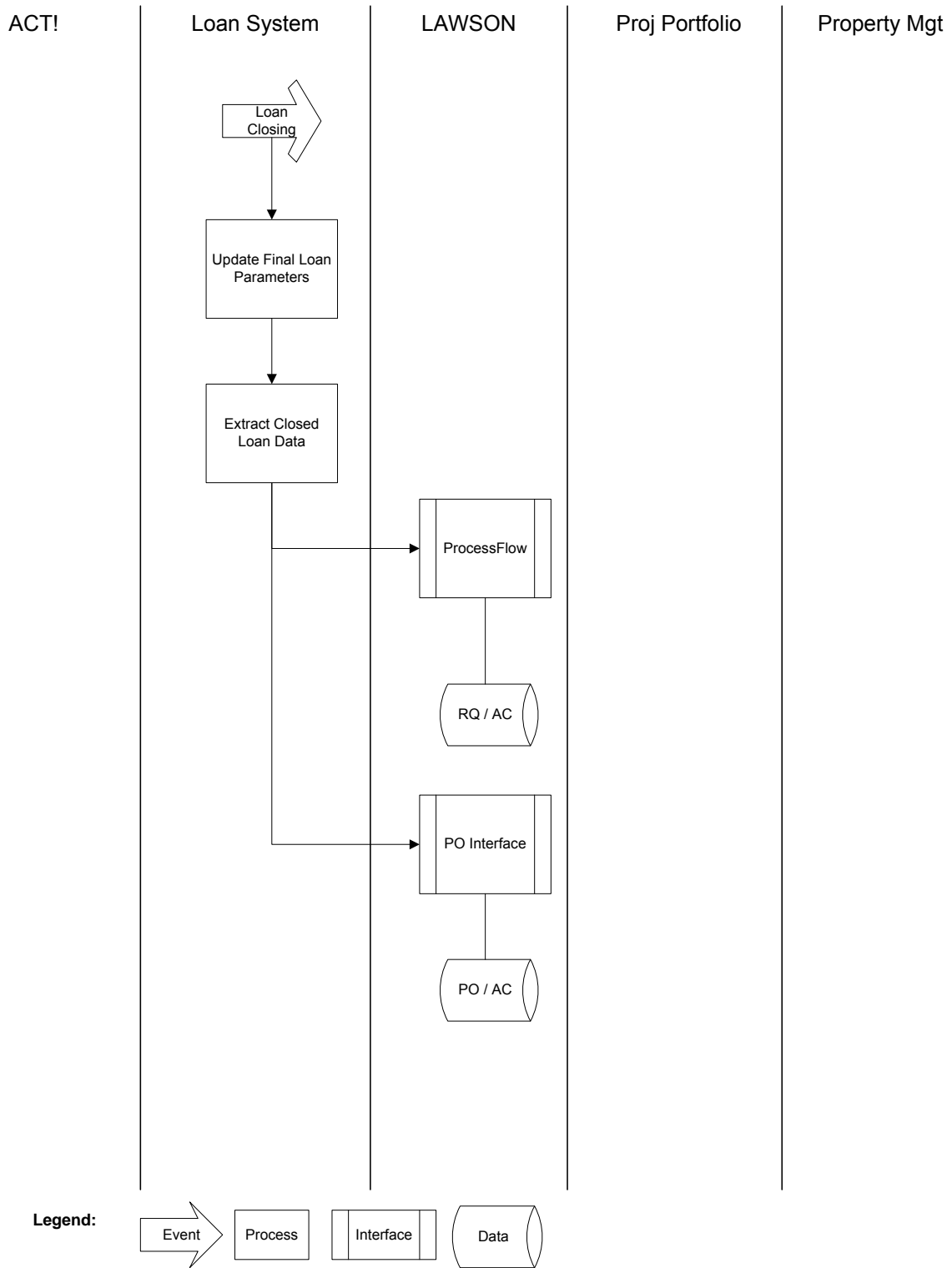
SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
I	Vendor Interface	Using extracted file from the Loan System, vendors will be loaded through AP510	Review and update workflow rules for: <ul style="list-style-type: none"> • Vendor setup
I	Activity interface	Using extracted file from the loan system, loan number will be loaded through AC510 as a posting activity	<ul style="list-style-type: none"> • Assignment of loan to the proper Business Finance program / URA / Funding Source (related to the Activity level address) • Related project information (if loan is related to a project)

SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
I	Requisition Interface	Using extracted file from the Loan System, requisitions records will be loaded through RQ500 Functional assumption: requisition will consist of one item with Item Type = 'S'	<ul style="list-style-type: none"> PO, RQ, GL, AC system setup (such as approval codes, requester, requesting location, PO codes, GL distribution)
D	AP / PO Vendor File	Borrowers will be interfaced from loan system to Lawson as vendors	<ul style="list-style-type: none"> Vendor setup rules and related Lawson AP setup

5.2.2 Assumptions

- Loan system needs the ability to identify a new borrower (for vendor interface)
- Loan system needs the ability to capture the creation of a new loan commitment for extract by daily interface to Lawson requisitions.
- Using standard Lawson functionality – RQ transactions update AC and GL Commitment balances
 - RQ system setup to be setup such that requisitions created from loan commitments will have an assigned approval code
 - RQ500 job parameter will be set to release interfaced requisitions
- For reporting purposes, RQ commitments will be identified as “Pre-Encumbrances”

5.3 Loan Closing



5.3.1 Process Description

At the time a loan is closed the corresponding loan amount should be recognized as an encumbrance amount. The process will be triggered through an interface from the Loan System to Lawson of a purchase order transaction

Loan System

SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
E	Loan Closing	Loan papers are signed by PDC and borrower(s)	Review and update workflow rules for: <ul style="list-style-type: none"> • Loan closing
P	Update Final Loan Parameters	Update Loan System with closed loan values: loan date, loan amount, terms, interest rate, fees, escrow, etc	Review and update workflow rules for: <ul style="list-style-type: none"> • Loan number
I	Extract Closed Loan Data	Daily interface - extract closed loan information to CSV files that will drive a Lawson process flow (for updating RQ records) and PO520 for loading PO's	

Lawson

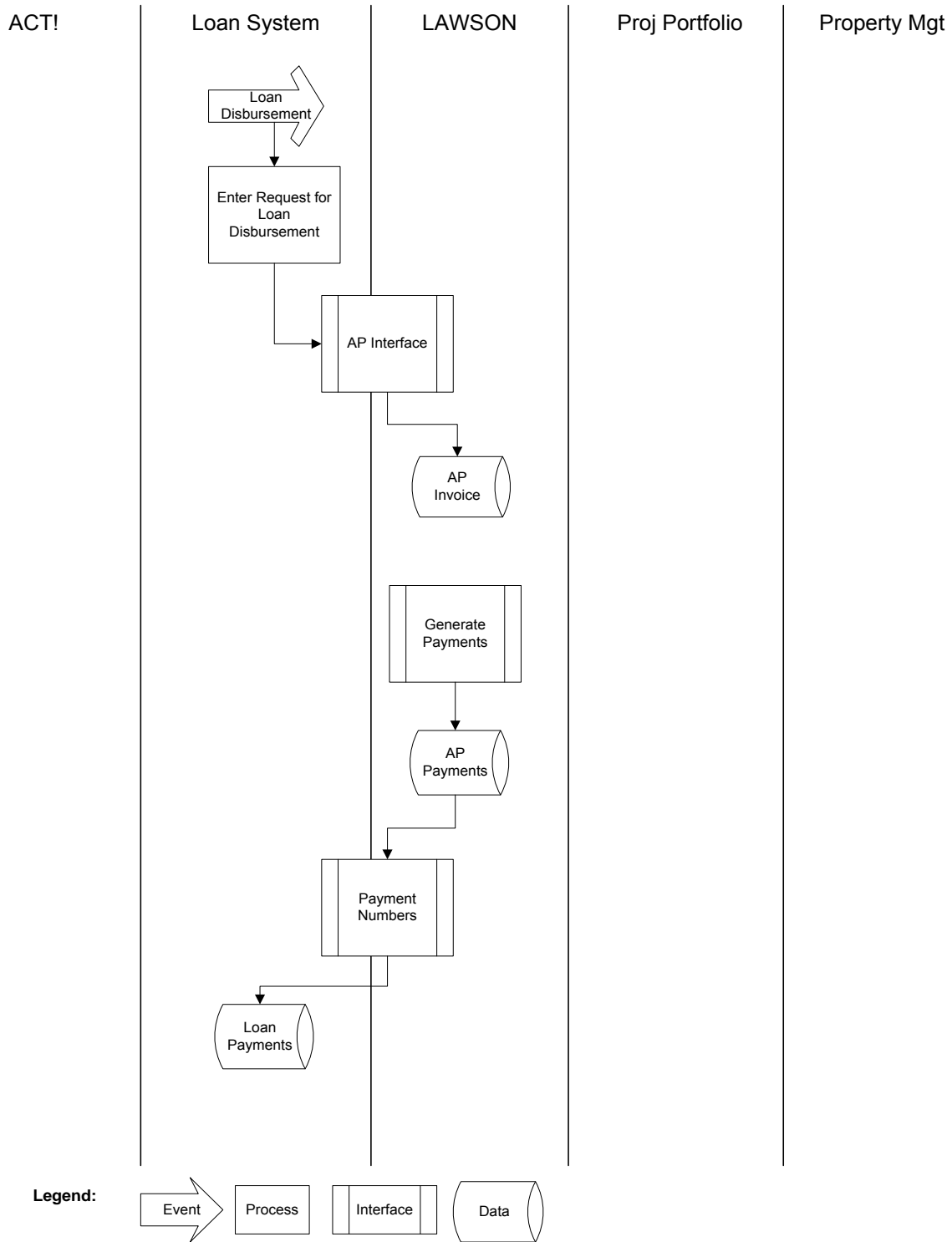
SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
I	Process Flow	Process flow program driven by CSV file created by loan data extract. Process flow will execute AGS calls to various Lawson programs as follows: <ul style="list-style-type: none"> • RQ12 – execute unrelease action on requisition associated with the loan • RQ10 – delete requisition record These 2 actions are required due to the existing business rules in that the final loan amount is not always the same as the loan commitment amount	

SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
I	PO Interface	Using extracted file from the Loan System, purchase orders will be loaded through PO520 – approved loans will be loaded as a purchase order.	Review and update workflow rules for: <ul style="list-style-type: none"> • Purchase Order numbering • PO setup

5.3.2 Assumptions

- Loan system needs the ability to identify a new loan closing transaction

5.4 Loan Disbursement



5.4.1 Process Description

As most PDC loans have the characteristics of a construction loan, the disbursement of funds from the loan does not usually occur at the time of closing. The first process for generating a disbursement will initiate in the Loan System where a request for disbursement will be entered and the information will be sent to Lawson as an AP invoice. Once the payment is generated in Lawson, the payment data will be extracted and sent back to the Loan System.

Loan System

SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
E	Loan Disbursement	Based on loan terms, a disbursement will be requested after proper review of milestones and supporting documentation	Review and update workflow rules for: <ul style="list-style-type: none"> • Loan disbursement • Setup of payee information (disbursements are often made directly to a contractor that performed the project work)
P	Enter request for loan disbursement	Update Loan System with disbursement information: <ul style="list-style-type: none"> • Disbursement amount • Payee information, loan amount, terms, interest rate, fees, escrow, etc 	Review and update workflow rules for: <ul style="list-style-type: none"> • Loan number • Approval of disbursement requests • Generation and distribution of payments
I	AP Interface	Interface to Lawson Accounts Payable as an invoice (AP520 or MA540)	
I	Payment Numbers	Using payment information extracted from Lawson, update loan payment transaction records with check number and payment date	

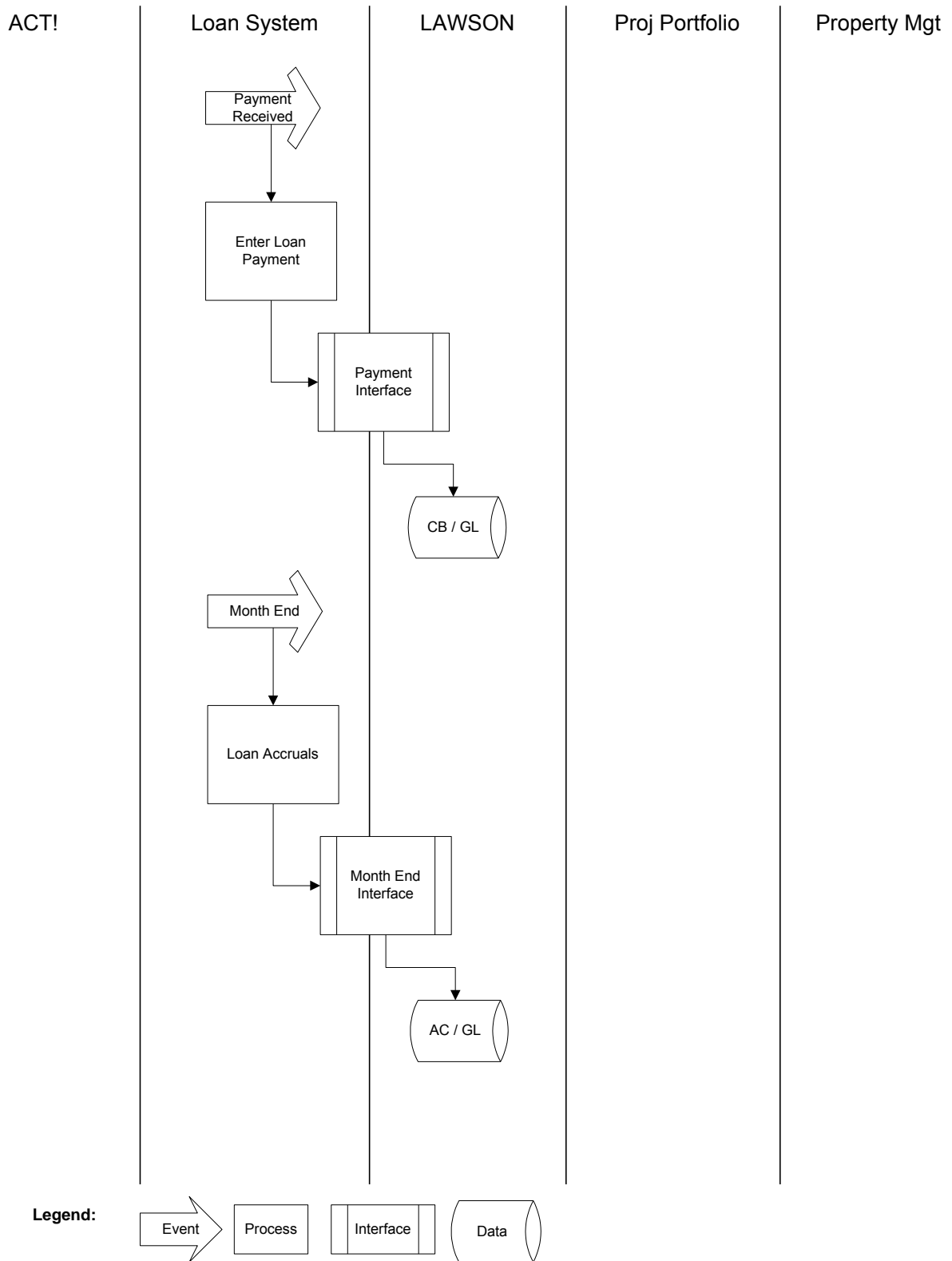
Lawson

SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
I	AP Interface	Using extracted file from the Loan System, payment invoices will be loaded through AP520	Review and update business processes for: <ul style="list-style-type: none"> • Invoice numbering • AP setup
D	AP Invoice	Interface file created from extracted disbursement requests – input file to program AP520	<ul style="list-style-type: none"> •
P	Generate Payments	Lawson AP processing – generate payments from interfaced invoices	<ul style="list-style-type: none"> • Matching rules and procedures
I	Payment Numbers	Extract payments created in Lawson AP for loan disbursements	

5.4.2 Assumptions

- Loan system needs the ability to create payment transactions for interface to Lawson
- Loan system needs the ability to import interface file from Lawson with payment numbers and date – loan accruals will be based on payment information generated in Lawson

5.5 Payment on Loans & Month-End



5.5.1 Process Description

Payments received on loans will be processed in the Loan Servicing system as it contains the appropriate rules for payment application to principal, interest, escrow, fees, etc.

Month end loan accruals will be processed in the Loan System and interfaced to Lawson.

Loan System

SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
E	Payment Received		
P	Enter loan payment	Update Loan System with loan payment information following rules for application to principal, interest, escrow, etc.	
I	Payment Interface	Extract loan payment records received with detail distribution breakdown	
P	Loan accruals	Standard Loan System process for calculation and posting of loan accruals (principal, interest, etc.)	
I	Month End Interface	Extract month end balances for loan balances: <ul style="list-style-type: none"> • Receivables • Principal • Interest • Escrow • Fees 	

Lawson

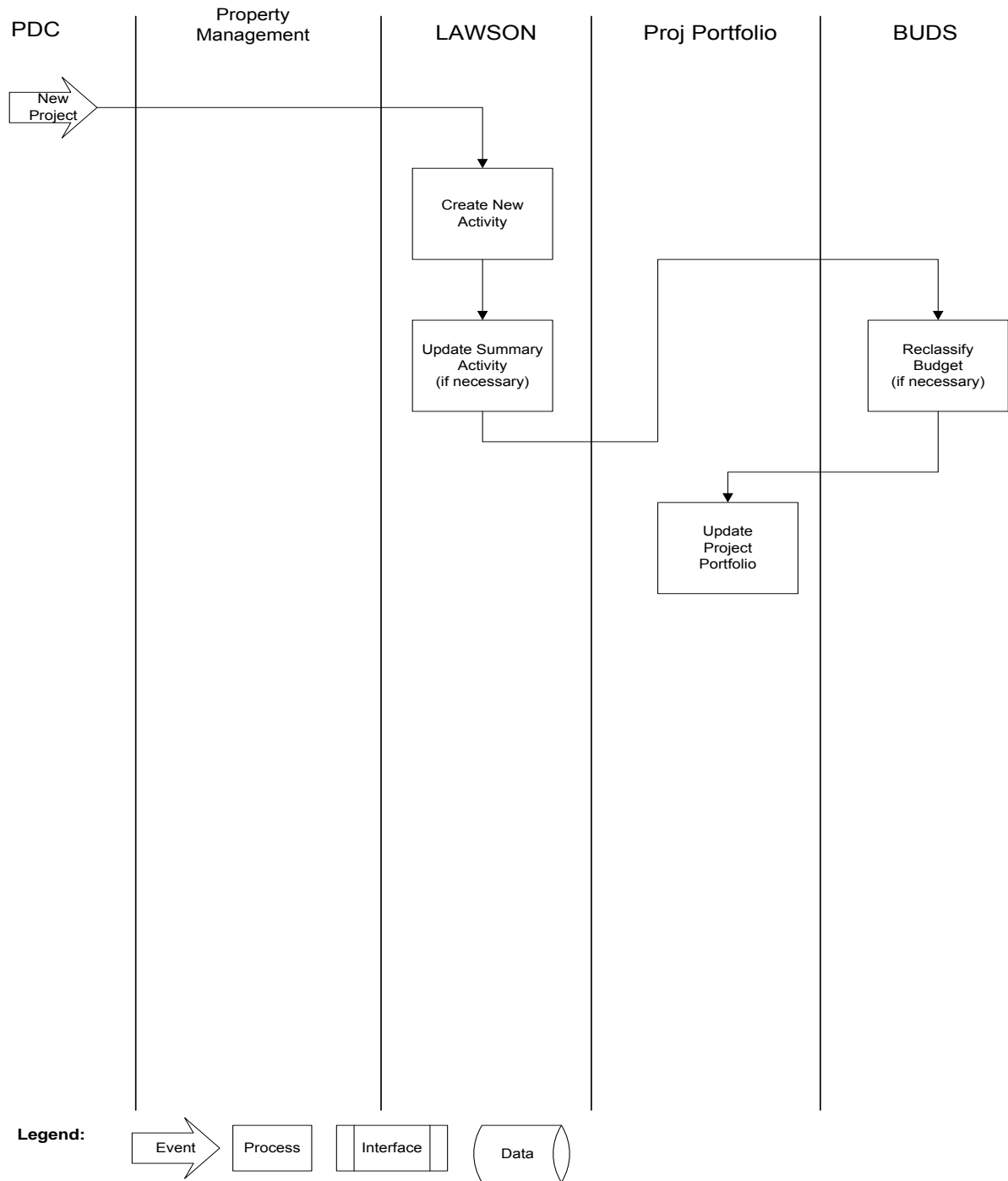
SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
I	Payment Interface	Using extracted file from the Loan System, payment transactions will be loaded to Lawson through CB500	Review and update business processes for: <ul style="list-style-type: none"> • CB setup
I	Month End Interface	Using extracted file from the Loan System, month end journal entries will be loaded to Lawson through GL165	

5.5.2 Assumptions

- Loan system needs the ability to create daily payment transactions and month end journal for interface to Lawson

6 Appendix C – Interfaces Data Flow between the Project Portfolio system and Lawson

One of the most critical workflow processes that needs to be developed in detail is the one for enforcing the alignment of project numbers between the Lawson, BUDs and Project Portfolio systems. The chart below describes at a high level the data flow for creating a new project.



6.1 Process Description

This section the high-level processes that should take place when a new project (development or internal) is approved for the purpose of financial tracking. The system processes identify the minimal initial steps required to configure Lawson, BUDs and Project Portfolio.

PDC (Organization)

SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
E	New Project	This is an organizational event when consensus is reached across UDD, Accounting, Budget and Real Estate that a new project is approved for the purposes of financial reporting and project management	<ul style="list-style-type: none"> • Project Number • Project Initiation • Project funding • Project resourcing and staffing

Lawson

SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
P	Create new Activity	Update Lawson AC by creating a new Posting Activity.	<ul style="list-style-type: none"> •
P	Update Summary Activity (if necessary)	If the new project results in changes or reassignment of budget amounts, summary level activities might be required to be updated or created	<ul style="list-style-type: none"> • Budget revision or budget reclassification

BUDs

SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
P	Reclassify Budget (if necessary)	If the new project results in changes or reassignment of budget amounts, update	<ul style="list-style-type: none"> • Budget revision or budget reclassification

SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
		BUDs to reflect the new information	

Project Portfolio

SYMBOL TYPE E-Event P-Process I-Interface D-Data	LIST EVENTS, PROCESSES, INTERFACES AND DATA.	BRIEF DESCRIPTION OF EVENT, PROCESS, INTERFACE OR DATA	IMPACT ON BUSINESS RULES
P	Update Project Portfolio	Create new project record in Project Portfolio	<ul style="list-style-type: none"> Project Number

6.2 Assumptions

- A team of PDC staff will be performed to assume the ownership of the Lawson AC structure and project hierarchy setup. This team should include representatives of UDD, Accounting and Budget areas.

**EXHIBIT F to the PERSONAL SERVICES CONTRACT for
Financial Systems Consolidation and
Lawson Projects and Activities Module Implementation**

**FINANCIAL SYSTEM CONSOLIDATION ASSESSMENT – FUTURE STATE LAWSON PROJECT AND
ACTIVITY ACCOUNTING REIMPLEMENTATION DESIGN RECOMMENDATIONS**

**EXHIBIT F to the PERSONAL SERVICES CONTRACT for
Financial Systems Consolidation and
Lawson Projects and Activities Module Implementation**

PDC

PORTLAND DEVELOPMENT COMMISSION

***Financial System Consolidation Assessment
Future State –
Lawson Project and Activity Accounting
Reimplementation Design Recommendations***



THE REVERE
GROUP
an NTT Data Company

June 21, 2010

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REVISION CONTROL

Version Number	Brief Description of Change	Author(s)	Date of Issue
DRAFT 1	Initial Document	Mark Silva	June 21, 2010
DRAFT 2	Updated activity group level labels	Jimmy Chen	June 22, 2010
DRAFT 3	Updated with procurement design screens	Jimmy Chen	June 24, 2010
DRAFT 4	Updates to procurement and interface specs	Jimmy Chen	June 28, 2010
DRAFT 5	Additional specs for procurement setup	Jimmy Chen	July 2, 2010
DRAFT 6	With edits from Jane	Jimmy Chen	July 14, 2010
Final		John Cronise	July 15, 2010

1 Introduction

1.1 Purpose

The purpose of this document is to provide PDC with future state recommendations to address the re-design of the Lawson Project and Activity Accounting Module re-implementation as identified by The Revere Group and PDC as a result of the FSCA Project. This document will outline the recommended configuration of the Lawson Project and Activity Accounting Module re-implementation as well as the following:

- Description of Future State Setup and Design/Configuration
- Description of Future State Process
- Impact on Time and Attendance tracking of hours in Lawson Activities
- Impact on Business Procedures
- Recommended Reporting Solutions

Please see Section 3 for definitions and acronyms.

1.2 Pain Points/Wish List Summary (from Future State UDD Document)

1.2.1 Eight Main Issues:

There are eight main themes of issues that are causing most of the pain points listed in the UDD Futures State document related to Lawson Activities (AC). Many of the pain points won't go away unless all eight issues are corrected together; i.e. the issues are interdependent. If seven of the eight issues are corrected then the remaining uncorrected issue could still cause the need to use side-tracking sheets (translators) and other means to work around the issue because part of the cause of the side-tracking spreadsheets (translators) still would remain. The grid in Appendix A lists all the pain points in relation to the eight main issues. Most of the issues relate to all or most of the issues but we have checked the main issues for each pain point.

The eight main issues as included in the table below are as follows:

- 1) Alignment
- 2) Depth of Activities (AC)
- 3) Not Current
- 4) Interfaces – Double Entry
- 5) Commitments
- 6) Future-year commitments
- 7) Business Rules
- 8) ACT! Database

Storefront Example:

Side-tracking sheets (translators) are common because all eight issues above exist. A great example of this is in the Storefront side-tracking spreadsheet (translator). In addition to this Storefront example, side-tracking spreadsheets (translators) also get used for projects – like Interstate Corridor URA Parks and like Lents Town Center Redevelopment. Storefront entries

are currently in Lawson without the detail required to produce the information kept on the “side-tracking spreadsheet (translator)”. As a result, spreadsheets are kept to break the data kept in Lawson into more detail. Lawson keeps the data at the high level of Financial Assistance. However, the spreadsheet breaks it down to Storefront, then to URA by Excel Tabs, then to each Storefront client as a row on the Excel sheets/tabs. This data has to be rekeyed into Excel, reconciled to the totals in Lawson and maintained. Lawson Activities is designed to prevent the need to use a side-tracking spreadsheet (translator) by allowing Lawson to track the detail required. Lawson AC can be setup to allow the data to enter Lawson already broken down to the level of detail needed for reporting when the effort required to do so does not exceed the value of the data achieved.

1 Storefront Interstate 370-308-160-H27001							
2	Budget Past FY	\$ 342,203.42	Design Committed Past FY	\$ 31,608.50	SIP Committed Past FY		
3	Budget FY 2009-2010	\$ 400,000.00	Design Committed 09-10	\$ 44,950.00	SIP Committed 09-10		
4	Budget Total	\$1,000,000.00	Total Design Committed	\$ 76,558.50	Total SIP Committed		
5	Total Available Budget	\$ 86,805.47	Total Design Disbursed	\$ 64,836.70	Total SIP Disbursed		
6	<i>Design Assistance</i>						
7	Project Name	Grant Number	Architect	Committed Past FY	Committed FY 09-10	Disbursed	Undisbursed
8	Totals			\$ 31,608.50	\$ 44,950.00	\$ 64,836.70	\$ 11,721.80
9							\$ -
10	Accurate Window & Door		Formwest Architecture	\$ 2,481.00		\$ 2,481.00	\$ -
11	Adaptive Construction 18	106447	Outside Architect		\$ 1,850.00		\$ 1,850.00
12	Adaptive Construction 245						\$ -
13	Adaptive Development 3961	106151					\$ -
14	X Advanced Finishing Sysems, In	106367	Scott Edwards Architecture	\$ 2,900.00		\$ 2,900.00	\$ -
15	Albina Woman's League	106561	Emerick Architects	\$ 3,200.00		\$ 3,200.00	\$ -
16	Alcantar & Associates	106212	Waterleaf Architects	\$ 3,800.00		\$ 3,614.30	\$ 185.70
17	X Allen Family	106249	Lundin Cole Architects	\$ 780.00		\$ 780.00	\$ -
18	Atomic Pizza	106115					\$ -

Storefront example by the eight causes:

- 1) **Alignment:** If the Budget group budgets at the Storefront or financial assistance level and the Storefront budgets are reported in the Excel “side-tracking spreadsheet (translator)” sheet at the top level and the Storefront level, then this is due to an alignment issue between budgets in PDC’s Budgeting Software (BuDs) and Lawson Activities (AC).
- 2) **Depth of AC:** Lawson has up to five levels that can be used in AC. For Storefront the bottom level can be for each Storefront. Then all Storefronts related to one URA would roll up one level to “summarize” at that URA summary, then to the next level up to summarize all of the URA’s into Storefront’s top level summary report. Using this depth “takes the place” of the rows in the Excel “side-tracking spreadsheet (translator)” sheet and the URA summary takes the place of the tabs in Excel by URA, and the top level summary takes the place of the Storefront Summary Spreadsheet tab. Best of all, with proper setup the detail always rolls up correctly without the need for painstaking reconciliations.
- 3) **Not Current:** If interfaces remain monthly as they are now then the “side-tracking spreadsheet (translator)” is still needed just to solve having current budget against actual and commitments. A daily interface would solve this “reason” for a side “side-tracking spreadsheet (translator)”.

- 4) **Interfaces/Double Entry**: Entry to Excel is required that could be prevented if the “side-tracking spreadsheet (translator)” were no longer needed and eliminated.
- 5) **Commitments**: Currently, Commitments (please see section three for definition of Pipeline, Commitments and Encumbrances) are not recorded in Lawson on a daily basis in all cases – such as for the commitments input from Mitas monthly instead of daily. Having these in Lawson daily is critical to have a daily accurate and up to date report from Lawson AC.
- 6) **Future year Commitments**: The Storefront “side-tracking spreadsheet (translator)” is currently tracking which commitments are for which fiscal year and reporting accordingly. This information is currently lacking from Lawson – so without this coming out of Lawson the “side-tracking spreadsheet (translator)” would still be needed.
- 7) **Business Rules**: Clear business rules are needed to achieve resolution to many of these eight issues. For example, rules regarding what a project is are needed to achieve consistency of how a project is setup in Lawson AC.
- 8) **ACT! Database**: The current database makes it difficult to obtain the Pipeline amounts from ACT! where it currently resides. For example, data tables don’t currently allow for multiple records for one entity, making mining data from ACT! more of a challenge for financial reporting. ACT! is a CRM and was not specifically designed to contain financial data such as pipeline but has been modified to do so. The ACT! tables can be used to show how much money is in pipeline in ACT! so this can be reflected in the replacement report to the existing Excel “side-tracking spreadsheet (translator)” report.

Must address all eight main issues – not just some:

The Storefront example below is a prime example of Excel “side-tracking sheet (translator)” sheets being maintained. The “side-tracking sheet (translator)” cannot be replaced or eliminated without addressing all of the eight issues. If you remove most issues but not all issues then the “side-tracking sheet (translator)” would still be needed since all individually contribute to the need to have a “side-tracking sheet (translator)”. Additionally, the lack of clear definition of budgeting level and confusion with how the word “PROJECT” gets used are issues that should be specifically included. We budget at a given level but it is not consistently at the “project” level. This is the root cause of the lack of **alignment** of our budget-to-project data. If we correct the business rules regarding the budget level and clarify the relationship between the budget allocations and the projects, the alignment will naturally follow. The budgeted amount is an aggregate amount and may contain numerous projects. These “projects” then, are what should be entered into and align with AC.

2 Future State Setup & Design Configuration Recommendations

2.1 Activity Groups – Hierarchy overview

An activity group represents the highest entity in the AC (Project and Activity) module. An activity group is defined to organize activities related by process or function for: reporting, processing rules, budget checking rules, activity structure, security, currency, calendar, etc.

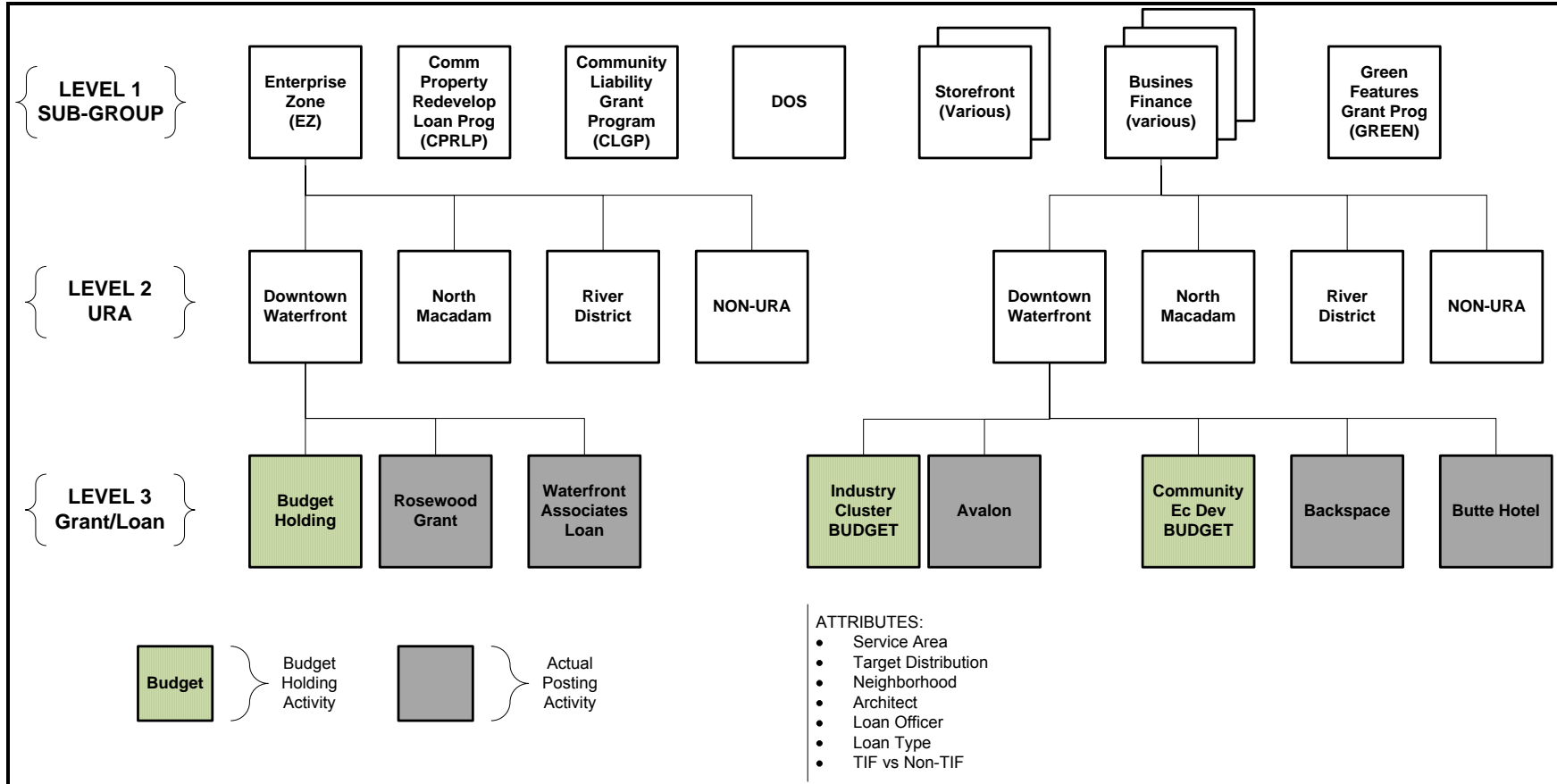
The following Activity Groups are being recommended for implementation:

- FA (Financial Assistance)
- PM (Property Management)
- DEV (Development)
- INT (Internal)

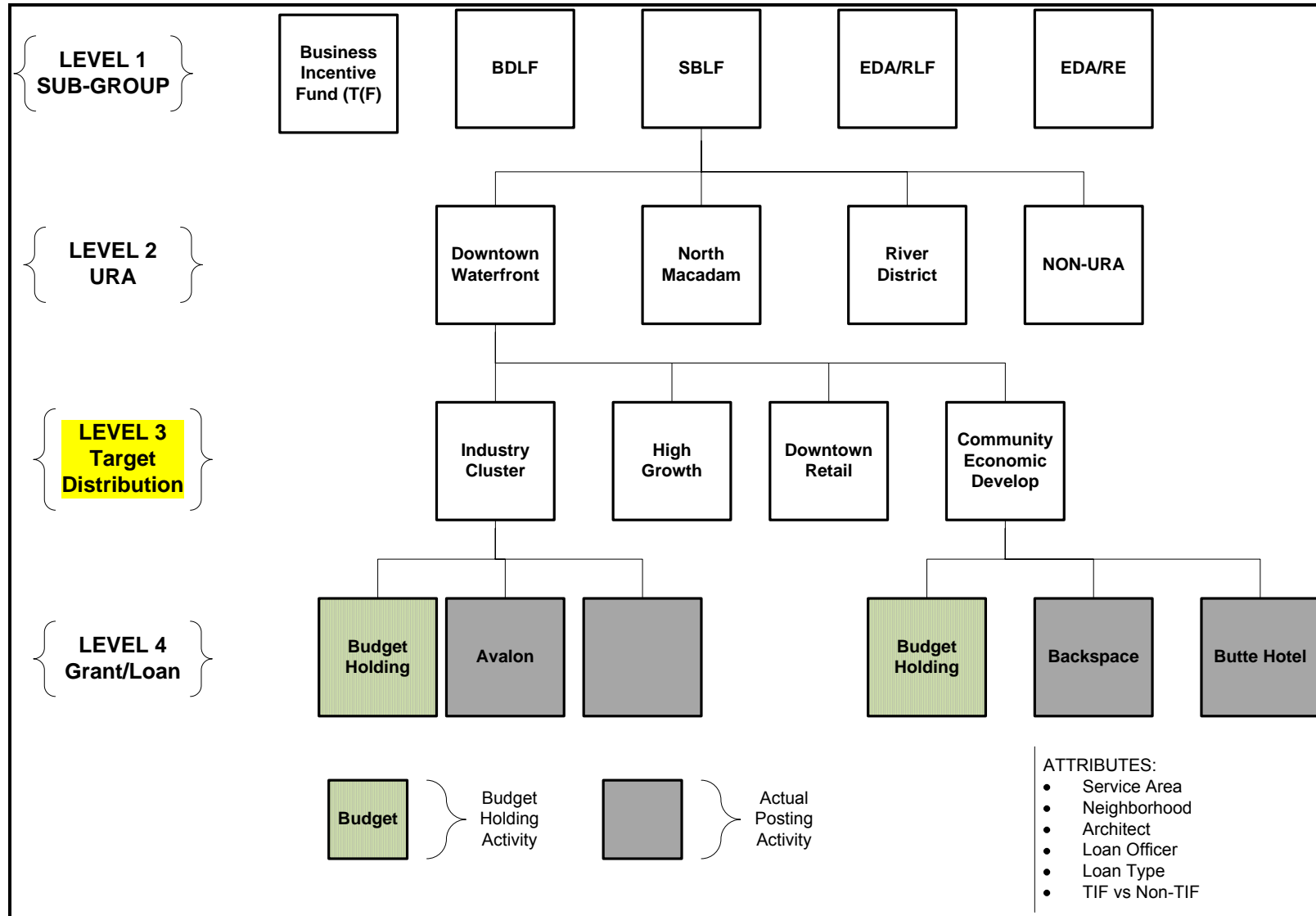
Description	Levels	Design Comments
FA – Financial Assistance	Three levels Level representation: (1) Sub-Group (2) URA (3) Grant / Loan (posting)	<ul style="list-style-type: none"> • Level 1 Sub-Group Summary Activity to correspond to a Financial Assistance program • Budget Holding activity to be defined for each URA • Posting activities represent a grant or loan • Breakdown by Target Distribution for Business Finance to be represented by an activity attribute
FA – Financial Assistance	Alternative structure with four levels: (1) Sub-Group (2) URA (3) Target Industry (4) Grant / Loan (posting)	Same as above except that level 3 represents Target Distribution summary and level 4 represents the loan/grant posting activity
PM – Property Management	Four Levels: (1) Sub-Group (2) URA (3) Property (4) Sub Project (posting)	<ul style="list-style-type: none"> • Level 1 Sub-Group Summary Activity: additional analysis to be performed during the implementation phase • Budget to be defined by URA • Level 4 sub-project can be used to define key phases in the lifecycle of a property: acquisition, holding, disposition, etc.
DEV – Development	Four Levels: (1) Sub-Group (2) URA (3) Project (4) Sub Project (posting)	<ul style="list-style-type: none"> • Level 1 Sub-Group Summary Activity: additional analysis to be performed during the implementation phase • Budget to be defined by Project • Large projects can be broken down by sub-projects. A sub-project will be defined in Project Portfolio

Description	Levels	Design Comments
INT – Internal Projects	Four Levels: (1) PDC Department (2) PDC Division (3) Project (4) Sub Project (posting)	<ul style="list-style-type: none">• Summary levels 1 and 2 aligned with PDC’s organizational chart• Budget to be defined by Division or Project• Non-project activity (s) can be defined by department or by division.

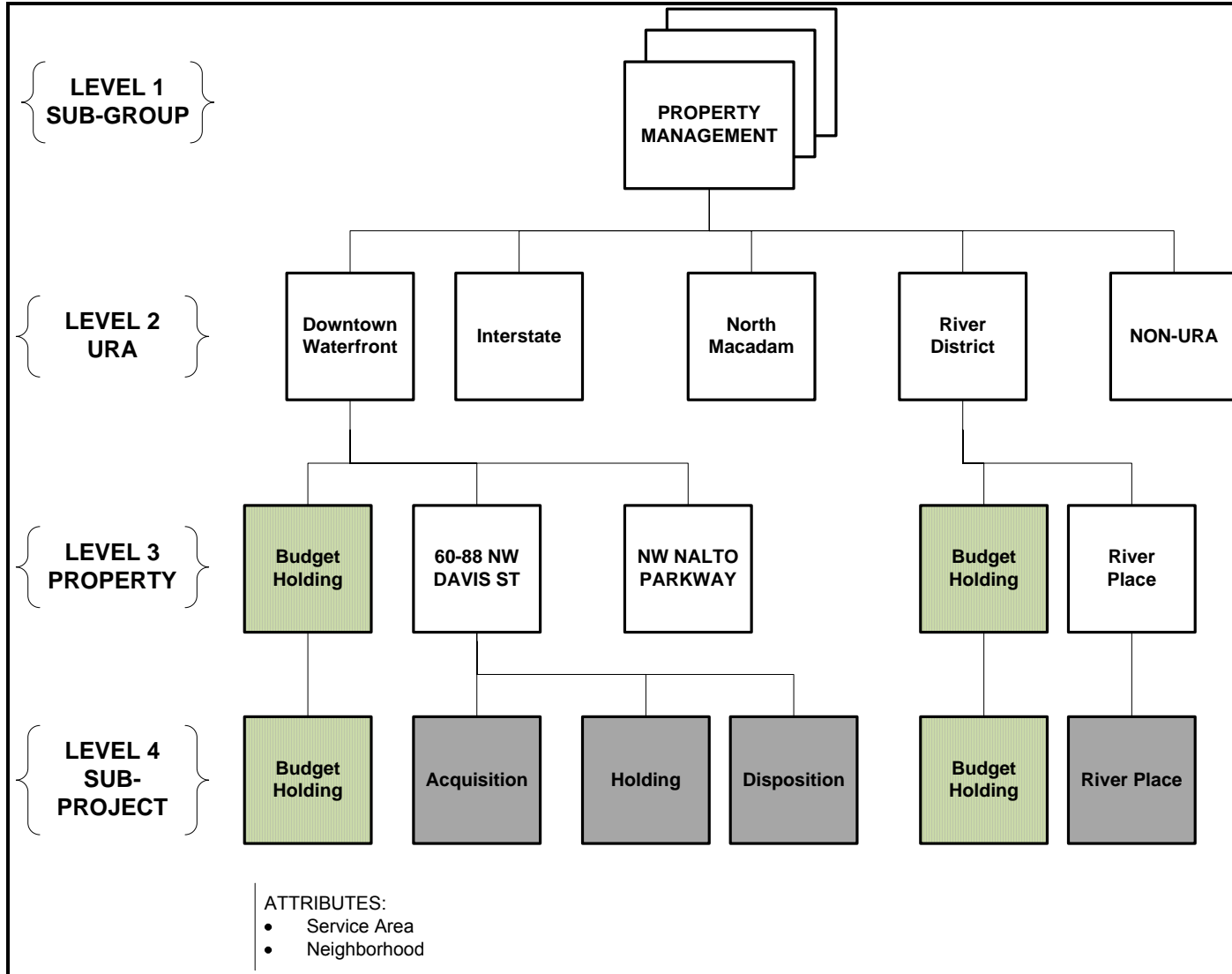
2.1.1 Financial Assistance (FA) – Three Level Structure



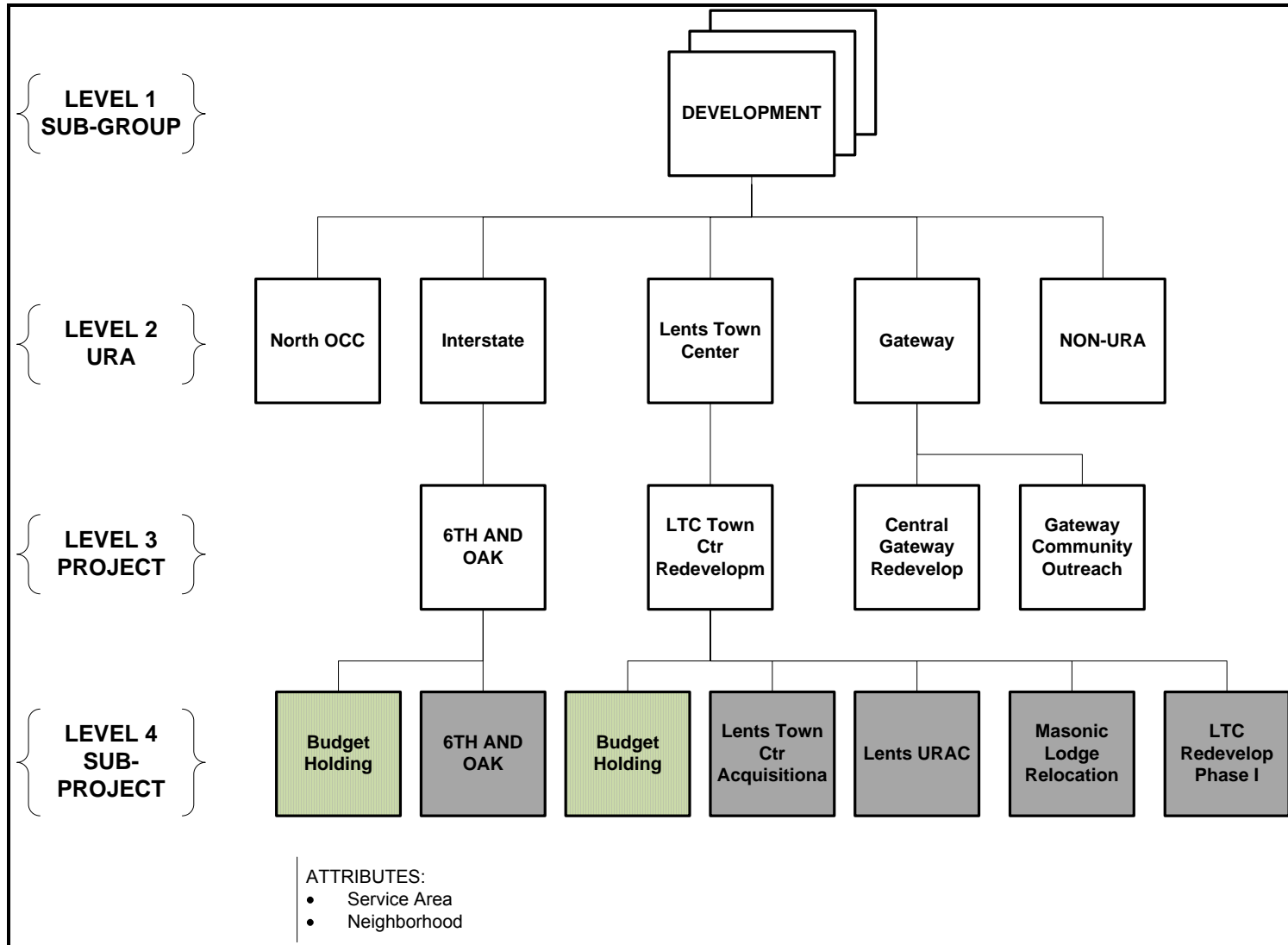
2.1.2 Financial Assistance (FA) – Four Level Structure



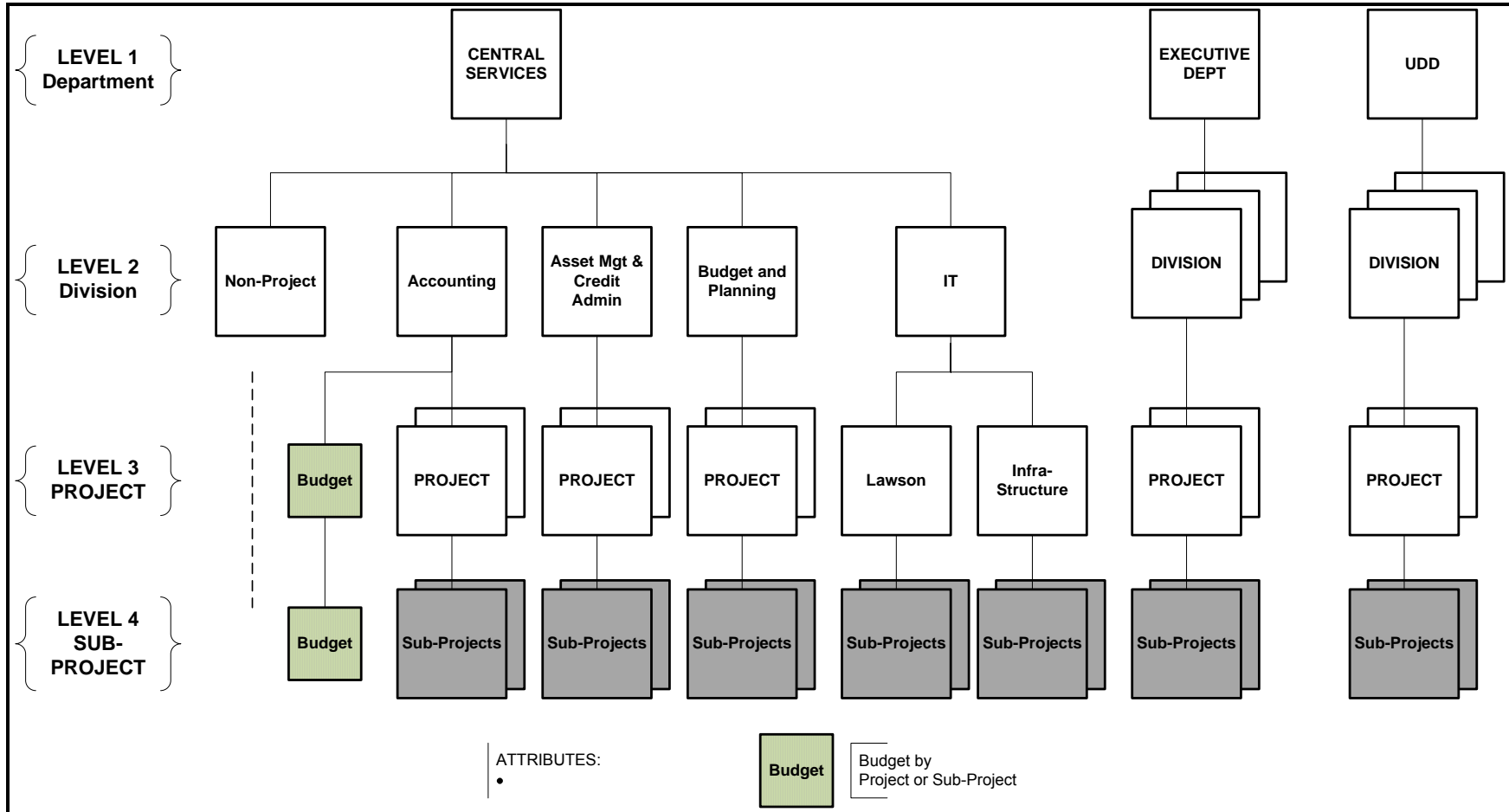
2.1.3 Property Management (PM) – Four Level Structure



2.1.4 Development (DEV) – Four Level Structure



2.1.5 Internal Projects – Four Level Structure



2.2 AC00.1 – Activity Group

Close | Search Find Next Reset | Printable View Explorer View

OPEN ACTIVITY GROUPS ▾

Activity Group	Description	Currency	Sec Cd
DEV	Development	USD	1
FA	FINANCIAL ASSISTANCE	USD	1
INT	INTERNAL	USD	1
PDC HISTORY	PDC HISTORY	USD	1
RE	REAL ESTATE	USD	1

Parameter	Value	Rationale/Notes
Activity Group	PDC HISTORY	PDC HISTORY is setup as the sole activity group currently.
Activity Group Description	PDC HISTORY	Description of Activity Group
Base Currency	USD	Summary level activities must have USD as well to match the Activity Group setting here. This is used for base reporting and inquiries.
Calendar	FISCAL	Attach the Calendar for all Activity Groups here.
Date Range	07/01/99 – 06/30/19	This is the valid date range at this time. Prior to making future year AC commitments this and

Parameter	Value	Rationale/Notes
		the AC10 date to settings will need to be changed and the Calendar for future years added. This prevents any current entry past 2019 based on these dates.
Security	1	Can use a unique 4 digit number that is not currently defined as a GL company so the security can be independent of any one GL company security settings. Used 1 to mimic the current GL company Security settings and permissions for now. This becomes an implementation topic for deciding AC00 Activity Groups since security will be a key consideration in finalizing how many activity groups will be used at go-live- partly based on security considerations.
Status	O	Open – which allows posting to the activity group.
Output Measure	BLANK	Used to measure outputs for a project – such as square foot produced for a building project. No output measures have currently been identified as valid for these activities so this is blank – unused.
Output Measure Description	BLANK	Description of Output measure
Invoice Audit	N	No = No invoice audit. Invoice audit is used to track invoices for billing and revenue in AC. Since BR is not used by PDC – not needed.
Change Order Audit	Y	Yes = Allows audit of change orders for AC budgets. This keeps a historical record of change orders to the budget in Lawson AC Budget Change Order Screens. AC421 will produce a listing of any change orders completed in AC.

Use Activity Group (AC00.1) to define and maintain an Activity Group.

An Activity Group represents the highest entity in Project Accounting. Use an Activity Group to organize activities related by process or function for: reporting, processing rules, budget checking rules, activity structure, security, currency, calendar, business line or project type or department.

**Process at a Glance

1. Define your Activity Group using this form.
2. Use the Main tab to select an account category structure, base currency, calendar, date range, security code, status, output measure, budget change order history, invoice audit history.
3. Use the Process tab to identify activity group processing rules, including how to store balances, how to validate transaction data, whether to calculate burdens and more.
4. Use the Levels tab to define the activity group structure.
5. Optional. Identify parameters in the Budget, Time and Expense, Currency, and History tabs.

****More Information**

- Use the Main page to define information for the activity group, such as base currency, calendar, and date range. Use the Category Structure field to assign account categories to the activity group. Assigning an account category structure attaches an account category structure with default rules you can override by posting activity. Once you run posting using this assignment, you cannot change the account category structure assignment on this form.

-Use the POP button to set up period of performance date tolerances for the activity group on Activity Period of Performance (AC10.6).

- Use the Process page to define process parameters to determine how amounts in activities will be summarized and how various validations will be performed for transactions entered for activities associated with the activity group.

- Use the Budget page to define budget edit parameters to prevent entry of activity-related transactions in other Lawson applications when the budget is exceeded.

- Use the Time and Expense page to define time and company paid expense parameters.

- Use the Levels page to define activity group levels to identify the rules for structuring activities.

- Use the Currency page to define activity group currency parameters, including report currencies.

- Use the History page to define activity group history parameters that let you keep an audit trail of changes or deletions made to specific activity-related parameters.

AC00.1 – Activity Group (Process Tab)

Activity Group (AC00.1)

Activity Group: **DEV** Description: Development

Balances

- Summary Activity: Yes
- Accounting Unit: Yes
- Resource: Yes
- Summary Acct Cat: Yes
- Billing LTD: Yes

Validation

- Employee: No
- Resource: No
- Vendor: No
- Asset: No
- GL Acct Assignment: No
- Date: Posting Date
- Bill Rate Calc: Posting Date
- Burden Date: Posting Date
- POP Date: Yes

Other

- Calculate Burdens: Yes
- PR Commitment: Yes

Parameter	Value	Rationale/Notes
Summary Activity	Y	Select Yes to consolidate activity amounts in summary level activities and at the activity group level. It is recommended that you accept the default, which is Yes. To preserve data integrity, you cannot change this parameter from No to Yes.
Summary Acct Cat	Y	Select Yes to consolidate activity amounts in lowest level summary account categories (not all levels). Revere recommends you accept the default, which is Yes. To preserve data integrity, you cannot change this parameter from No to Yes.
Accounting Unit	Y	Select Yes to maintain balances in activities by account category, company, and accounting unit. This lets you acquire company and accounting unit balances without building them into your activity structure. To preserve data integrity, you cannot change this parameter from No to Yes. If you set this option to Yes, you will need to run Accounting Unit Balance Post (AC191) after you post transactions using Activity Posting (AC190). If you are using Lawson Billing and Revenue

Parameter	Value	Rationale/Notes
		<p>Management, this field determines how revenue is posted to General Ledger for certain revenue recognition methods. This field must be Yes for the revenue recognition methods Percent Complete and Completed Contract if you want revenue to post to the accounting unit in the General Ledger system where the expense originated.</p> <p>The default is Yes.</p>
Billing LTD	N	<p>This field determines if billing life-to-date contract balances are included on invoices. The default is No.</p> <p>You can choose to include the life to date balances on the invoice when it is printed on Customer (BR11.1). Selecting Yes here is only needed if using the BR module, but selecting yes is not otherwise a problem. Since PDC has no plans to use the BR module N is the best value.</p>
Resource	Y	<p>Select Yes to maintain resource balances in activities. If you selected Yes in the Acct Unit Balances field, balances are maintained by activity, account category, company, accounting unit, and resource. If you selected No in the Acct Unit Balances field, balances are maintained by activity, account category, and resource.</p> <p>To preserve data integrity, you cannot change this parameter from No to Yes. If you set this option to Yes, you will need to run Accounting Unit Balance Post (AC191) after you post transactions using Activity Posting (AC190).</p> <p>You can view detail resource balances by activity on Resource Analysis (AC92.1) and they are included when you run Resource Charge (AC440). You can also include resource balances in a data mart.</p> <p>The default is Yes.</p>
Employee	Y	<p>If you use the Lawson Human Resources application, this field determines how employees used in transactions are validated during data entry.</p> <p>If you choose Yes, you must assign employee resources to activities in order to enter transactions containing an employee and an activity.</p>
Date	P	<p>Transactions posted to activities must fall within a date range assigned to the activity. Indicate whether you want the system to use the posting date or transaction date in the transaction</p>

Parameter	Value	Rationale/Notes
		<p>record when the validation is performed. For example, you might incur time on an activity on June 7 (transaction date), but the time falls within the pay period ending June 15 (posting date).</p> <p>- Select Posting Date (P) to use the posting date for the transaction. If the posting date is before the activity begin date or later than the activity's end date, the transaction is not permitted.</p> <p>- Select Transaction Date (T) to use the date when the transaction was incurred. If the transaction date is before the activity begin date or later than the activity end date, the transaction is not permitted.</p> <p>Note: Period of Performance dates can be used to override the date range for an activity or activity group.</p>
Resource	N	Indicate if you want to validate AC Person and Equipment resources assignments in transactions.
Bill Rate Calc	P	<p>Select Posting (P) or Transaction (T) date to determine which date to use to calculate billing when you run Activity Posting (AC190).</p> <p>The date type you choose determines which date on the transaction record is used to compare against the effective date on resource rates, assigned resource rates, or billing category rates for the T&M billing method.</p>
Vendor	N	<p>This field determines how vendors used in transactions are validated during data entry.</p> <p>* No: Vendor resources do not have to be assigned to activities.</p> <p>* Yes: Vendor resources must be assigned to activities.</p> <p>If you set this parameter to Yes, you must assign vendor resources to activities in order to enter transactions containing a vendor and an activity (including requisitions and purchase orders).</p>
Burden Date	P	Select Posting Date (P) or Transaction Date (T) to determine if burden rates are based on the AC transaction date or posting date.
Asset	N	If you use the Lawson Asset Management application and plan to capitalize activities, this field determines whether users are required to enter an asset Location and Division on the Defaults tab in Activity (AC10). When the

Parameter	Value	Rationale/Notes
		location and division are known at the time the activity is created, set this option to Yes. No plans exist to use Location or Division currently – so this is set to No.
POP Date	Y	This field indicates if Period of Performance validation is performed. This will be edited when transactions are added. Period of performance is a date-range tolerance used to allow transactions for an activity or activity that occur outside the activity's normal date range.
GL Acct Assignment	4	Set to require valid Activity and account category to add the entry. The current prototype for PDC selected option 2 for no validation to allow for skipping of the AC07 setup and validation. However, PDC acknowledges that AC07 continues to be a required setup to assure that only valid GL settings are allowed on AC07 to assure that only authorized funds, programs, center, account, etc. are allowed for each activity in setup in AC10. Since AC07 allows for setup at the Activity Group level, Activity Level, or also the Account Category level Lawson offers flexibility. PDC should consider creating Activity Groups broken up to allow for assigning the AC07 at the Activity Group Level. Doing so would reduce maintenance to AC07 when adding and maintaining AC10 activities, but would require many more Activity Groups than otherwise needed. This would also potentially greatly exceed the current examples of activity groups outlined. This will be an important consideration during the implementation phase and before go-live. This field determines how activities, activity accounts, and account categories are validated for AC transactions or interfaced transactions. Select one of the following options to determine how General Ledger and activity information will be validated in transactions. * 1 - GL Only Activity Group: Validates only the activity group. Use this when the status is GL Only in the Status field. * 2 - No: No validation is done. * 3 - Yes-Substitute Error Suspense: Validates the company, accounting unit, account, subaccount, activity, and account category. If an invalid combination is used, the transaction is

Parameter	Value	Rationale/Notes
		<p>posted to the activity and the Error Suspense account category.</p> <p>* 4 - Yes-Require Valid Assignment: Prevents transactions from being added in Lawson applications when the company, accounting unit, account, and subaccount are not valid for the activity and account category on the transaction record. Past clients have used this option and it is beneficial since it prevents entry unless the AC coding block is valid against the associated GL coding block. However, it can also be burdensome since many times the entry is in RQ or PO where the error message would occur (at time of entry on screen of entry) and can confuse the user who many not understand an activity error code. This is similar to a users in RQ or PO unable to add a form because the Accounting Unit and Account lack a relationship. Because PDC needs to assure that only valid funds are allowed for each activity using option 4 is recommended to prevent entry without a valid value set in AC07.</p>
Calculate Burdens	Y	<p>Indicate whether you want to process burdens for activities in the activity group. Burdens are transactions generated automatically during Activity Posting (AC190) to track additional costs associated with activities. The default is Yes. No burdens have been identified to be used.</p>
PR Commitment	Y	<p>Overrides the PR Commit flag on the system codes (GL01.4) to determine whether PR commitments are created during PR processing for transactions involving activities associated with the activity group.</p>

Use the Process form tab to define and maintain activity group processing parameters including account edits, consolidation, accounting unit detail, status, revenue level, and edits.

AC00.1 – Activity Group (Budget Tab)

The screenshot displays the 'Activity Group (AC00.1)' interface in the PDC system. At the top, it says 'Welcome Mark to the TEST PORTAL -- Data Area is SAND'. The main header includes 'Activity Group (AC00.1)' and a search box containing 'ac00'. Below the header is a navigation bar with buttons: '+ Add', 'Change', '- Delete', '< Previous', '? Inquire', '> Next', and 'Inquire'. A 'Related Forms' link is also present. The main content area has a tabbed interface with 'Budget' selected. Under the 'Budget' tab, the following fields are visible: 'Active Budget' (set to 'No Edit'), 'Budget Checking' (set to '1'), 'Level' (set to '1'), 'Tolerance' (empty text box), 'Estimated Maximum' (empty text box), and 'Current Budgeted' (empty text box).

Use the Budget form tab to define and maintain budget parameters.

Parameter	Value	Rationale/Notes
Active Budget – Budget Checking	1 – No Edit	<p>Set to No Edit except for activities where the budget and actual amounts are in the same posting activity since edits are only against the activity posted to, which in many cases at PDC have no budget at that actual activity. Budgets mostly “roll up” at PDC under the recommended Activity solution.</p> <p>You can type or select a value to indicate when budgets are edited. The default is No Edit, which does not validate budgets.</p> <p>If budget amounts are validated, the system validates whether actuals plus commitments are less than or equal to the budget plus the budget tolerance. The edits are performed in the systems you select on System Codes (GL01.4). You can choose to edit budgets in the Requisitions (RQ), Purchase Order (PO), Accounts Payable (AP), Payroll (PR), Cash Ledger (CB), and Project Accounting (AC) applications.</p>

Parameter	Value	Rationale/Notes
		<p>Use Period Edit to edit the budget amount for each period to make sure you are under budget.</p> <p>Use Annual Edit to edit the budget amount annually to make sure you are under budget.</p> <p>Use Total Edit to validate total budget amounts over the life of the activity.</p>
Active Budget – Level	1 – Activity/Acct Category	Default
Active Budget – Tolerance	BLANK	Type a value to indicate the percentage by which the budget can be exceeded. For example, to allow budgets to be exceeded by 5%, enter 5.00.
Active Budget – Estimated Maximum	BLANK	<p>You can type a value to indicate the maximum budget allowed for the activity group. This amount includes the budget amounts for each activity within the activity group. The Allocated field displays the amount used from the budget.</p> <p>This is informational only, and produces a warning message during activity budget entry when the total activity budgets exceed the maximum. The warning message appears on AC20.2 (Activity Budget) to indicate that the total activity budget exceeds the maximum amount. It does not prevent you from exceeding the budget.</p>
Current Budgeted Display Field	BLANK – this is a display only field.	<p>This is the total amount allocated from the activity group budget. This total includes the sum of all activity active budgets.</p> <p>For example, if you define \$1,000,000 as the budget maximum, this field could display \$500,000, meaning you have \$500,000 left to complete the project.</p>

AC00.1 – Activity Group (Time and Expense)

The screenshot shows the PDC (Portland Development Commission) Activity Group (AC00.1) form. The form is titled "Activity Group (AC00.1)" and is part of the "TEST PORTAL -- Data Area is SAND". The form is currently displaying the "Time and Ex..." tab. The "Time" section includes the following fields: "Account" (No Override) and "Account Category" (Employee). The "Employee Paid Expense" section includes the following fields: "Clearing Co,Acct Unit", "Account" (9999), and "GL Code".

If you use Databasics TimeSite or ExpenseSite web-based time and expense entry systems with Project Accounting, define activity group time and expense parameters on the Time/Expense form tab.

These settings should continue to be set as needed for the recent implementation of Time Management.

More information about the products above can be obtained from the following web links:

Databasics:

<http://www.data-basics.com/>

TimeSite:

<http://www.data-basics.com/products/timesite.aspx>

ExpenseSite:

<http://www.data-basics.com/products/expensite.aspx>

AC00.1 – Activity Group (Levels)

Activity Group: DEV Development

Level	Name	Size
1	Program	3
2	JURA	3
3	Project	4
4	Sub-Project	3
5		

Parameter	Value	Rationale/Notes
Level 1 Name	Program	<p>You can type or select a value to indicate the size of the level. This determines the maximum number of activities you can define at this level.</p> <p>IMPORTANT: Once you define a level size, you cannot change it.</p> <p>One level size cannot exceed 15, while the total for all of the levels cannot exceed 20.</p> <p>Level one is setup to track summarized numbers for all levels below by Program.</p> <ul style="list-style-type: none"> - The Name for level one for the Activity is an ALPHA abbreviation for the Program. - The Level Address is the three-digit GL Program number– but a numeric field instead of Alpha like the name field. The name field is the activity part of the coding block in Lawson. Financial Assistance mimics the GL numbering but Business Finance has been uniquely numbered along with place holders for the other Activity Groups for the program level address at level one.

Parameter	Value	Rationale/Notes
		<ul style="list-style-type: none"> - The following is the initial recommended level address scheme as already uploaded to Lawson SAND for the prototype load. - 250 Enterprise Zone 300 Commercial Property Redevelopment Loan Program 303 Community Livability Grant Program 305 DOS 307 Signage and Lighting Improvements Program 308 Storefront 350 Green Grants 400 Business Incentive Fund 450 Business Development Loan Fund 460 Small Business Loan Fund 470 Economic Development Admin Revolving Loans 480 Economic Development Administration Real Estate
Level 1 Size	3	<p>3 Digits. You can type or select a value to indicate the size of the level. This determines the maximum number of activities you can define at this level.</p> <p>IMPORTANT: Once you define a level size, you cannot change it.</p> <p>One level size cannot exceed 15, while the total for all of the levels cannot exceed 20.</p>
Level 2 Name	URA (Service Area was setup in the Prototype graphic above but later eliminated as the most likely option for the actual go-live – meaning Revere removed it based on UDD feedback), referring to the geographical area	<p>Level two is setup to track the following descriptions of URA and level address:</p> <ul style="list-style-type: none"> - 320 - Downtown Waterfront - 325 - North Macadam - 330 - River District - 346 - South Park Blocks - 350 – Oregon Convention Center Lloyd - 355 - Central Eastside - 351 – Oregon Convention Center North - 370 - Interstate - 360 - Lents Town Center - 380 - Gateway - 385 - Airport Way - 390 - Willamette Industrial - 810 - Storefront Target Area - 830 - Storefront Division Street - 950 - Citywide/or Non-URA
Level 2 Size	3	<p>3 Digits. You can type or select a value to indicate the size of the level. This determines the maximum number of activities you can define at this level.</p>

Parameter	Value	Rationale/Notes
		<p>IMPORTANT: Once you define a level size, you cannot change it.</p> <p>One level size cannot exceed 15, while the total for all of the levels cannot exceed 20.</p>
Level 3 Name	Project	<p>Level three is setup to track the following project descriptions to then be interfaced into Project Portfolio daily to create the new project in Project Portfolio from Lawson Activities with PROJECT and level address:</p> <ul style="list-style-type: none"> - Suggest setting up a four-digit numeric sequential numbering scheme starting with 1000 or higher to avoid leading zeros and use these to number the project level summary project that all sub-projects roll into for Development. This assumes that this leaves enough room for new project growth going forward. - The level address will mimic/be identical to the numeric project name listed above – both fields to equal each other.
Level 3 Size	4	<p>4 Digits. You can type or select a value to indicate the size of the level. This determines the maximum number of activities you can define at this level.</p> <p>IMPORTANT: Once you define a level size, you cannot change it.</p> <p>One level size cannot exceed 15, while the total for all of the levels cannot exceed 20.</p>
Level 4 Name	Sub-Project	Level four is setup to track the following descript
Level 4 Size	4	<p>4 Digits. The prototype was setup as 3 to mimic Project Portfolio current numbering. Revere recommends expanding to four digits if that assures enough room for project growth going forward and converting the existing Project Portfolio numbers to the new numbers created in Lawson AC.</p>
Level 5 Name	BLANK	Using only 4 levels
Level 5 Size	BLANK	Using only 4 levels

Use the Levels form tab to define the level structure of the activity group. The level structure determines how you will define the activities within the activity group. The highest level is Level.

AC00.1 – Activity Group (Currency)

The screenshot shows the PDC (Portland Development Commission) web application interface for 'Activity Group (AC00.1)'. The user is logged in as Mark, and the data area is SAND. The 'Currency' tab is active, and the 'Currency Table' section is visible. The table has two rows for 'One' and 'Two' report currencies, each with a 'Name' and 'Currency' field. The 'Activity Group' is set to 'DEV' and 'Development'.

If more than one currency is required for the activity group, use the Currency tab to include a currency table and define report currencies.

Parameter	Value	Rationale/Notes
Currency Table	BLANK	N/A
Report Currency One – Name	BLANK	N/A
Report Currency Two - Name	BLANK	N/A

AC00.1 – Activity Group (History)

Use the History tab to identify parameters you want to track history for.

Parameter	Value	Rationale/Notes
Activity	Y	This field determines if changes made to activities are tracked. The default is No. You can view changes by running Activity Listing (AC210).
Asset	Y	This field determines if changes made to activity assets are tracked. The default is No.
Resource Assignment	Y	PDC is using PR and HR and resources. This field determines if changes made to resource assignments are tracked. The default is No.
Attribute	Y	This field determines if changes made to activity attributes are tracked. The default is No.
Billing	Y	This field determines if billing changes are tracked. The default is No.
Contract	Y	This field determines if changes made to contracts are tracked. The default is No.
Ceiling	Y	This field determines if changes made to ceiling amounts are tracked. The default is No.

2.3 AC00.2 – Calendar

Welcome Mark to the TEST PORTAL -- Data Area is SAND [logout]

PDC PORTLAND DEVELOPMENT COMMISSION **Calendar (AC00.2)** acfl

Name: PDC FISCAL CALENDAR

Year:

Period	End Date
1	07/31/2012
2	08/31/2012
3	09/30/2012
4	10/31/2012
5	11/30/2012
6	12/31/2012
7	01/31/2013
8	02/28/2013
9	03/31/2013
10	04/30/2013
11	05/31/2013
12	06/30/2013

Parameter	Value	Rationale/Notes
Name	FISCAL	Used all Activity Groups
Name Description	PDC FISCAL CALENDAR	Description of the Fiscal Year.
Year	2010, 11, 12 etc.	Put in year below FISCAL name to create each year's calendar as needed. IMPORTANT: Must have these setup with enough year's in the future to accommodate the date edits for future year AC Commitments.
Period 1 End Date	Last day in calendar month	Period End
Period 2 End Date	Last day in calendar month	Period End
Period 3 End Date	Last day in calendar month	Period End
Period 4 End Date	Last day in calendar month	Period End
Period 5 End Date	Last day in calendar month	Period End
Period 6 End Date	Last day in calendar month	Period End
Period 7 End Date	Last day in calendar month	Period End
Period 8 End Date	Last day in calendar month	Period End

Parameter	Value	Rationale/Notes
Period 9 End Date	Last day in calendar month	Period End
Period 10 End Date	Last day in calendar month	Period End
Period 11 End Date	Last day in calendar month	Period End
Period 12 End Date	June 30	Year End
Period 13 End Date	N/A	N/A

Custom calendars are created and assigned to an activity group in AC (above). Should other calendars be required for new activity groups outside the FISCAL calendar then they will be allowed to be setup and assigned to an Activity Group, which is the top level of AC. It can be above GL Company level but is not required to be – it can contain entries regardless of GL Company.

CAUTION: Be sure to use the true last day of each month to avoid having that the 31st go to the next period because you setup this field with 30th in error.

Use Calendar (AC00.2) to define the periods used for tracking actual amounts, commitments, and budgets for activities. You assign one calendar to an activity group. Calendars can be monthly or quarterly with any period end dates you want. You must define a calendar to define budget amounts and post fiscal year amounts.

NOTE: This program does not automatically create past or future year calendars; you must manually define them.

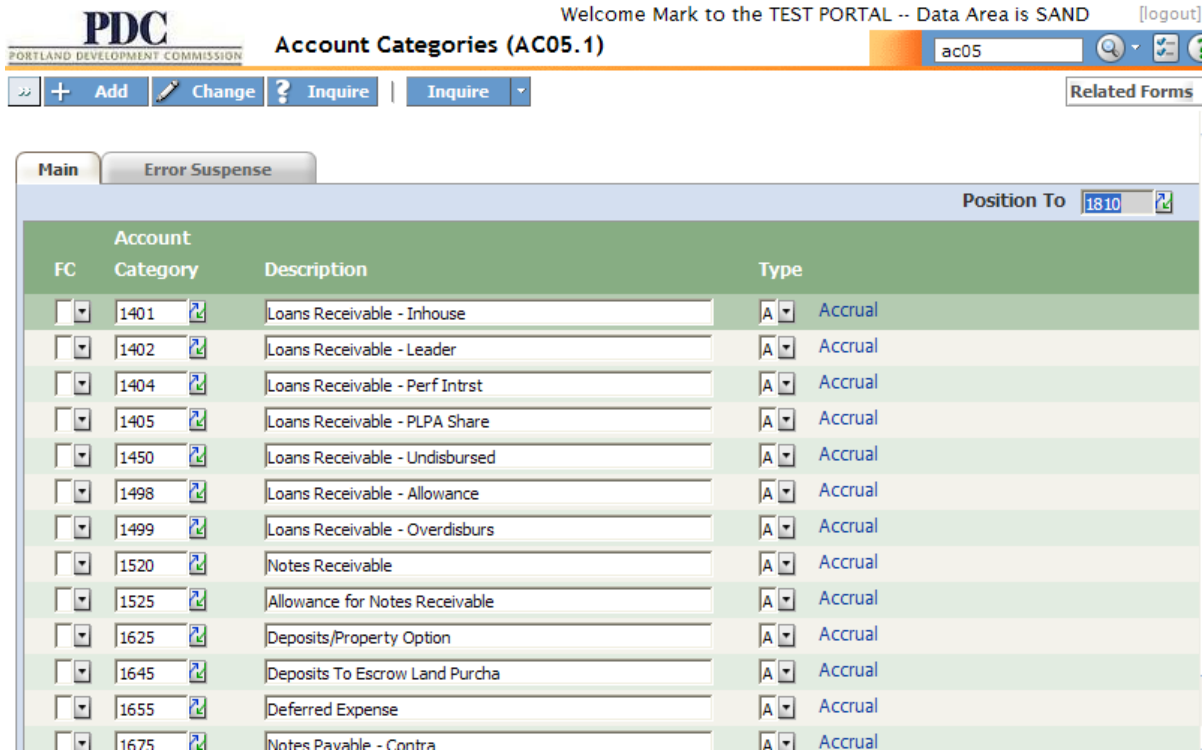
2.4 AC02.1 – Activity Status

FC	Status	Description	Post	Budget	Alloc	Rev	Bill	Cap	Purge
	AL	All	X	X	X	X	X	X	
	BU	Budget Only		X					
	HA	History Active	X	X					
	HC	Project Closed		X					
	IP	Inactive Project							
	P	Purge							X
	PS	Post, Budget, Allocate, Rev	X	X	X	X			
	SP	Summary Projects		X	X				

This is setup to allow or prohibit Posting an AC transaction in AC,

Parameter	Value	Rationale/Notes
Status	See Graphic Above	Changing the status on an activity will allow or disallow the items checked or not checked.
Status Description	Description of Status capability	Description of Status capability
Post	X	Checked for AL, HA and PS
Budget	X	Checked for all except IP and P
Alloc	X	Checked AL, PS, and SP
Rev	X	AL, PS
Bill	X	AL
Cap	X	Checked for AL – to prevent capitalizing on an activity the status should be moved away from AL. Should consider adding a CP code to allow for Capitalizing that would include the following for AC160 Capitalization: Post, Budget Allocate, Capitalize.
Purge	X	Checked for P only to allow purging of data only when ready to purge data in an activity.

2.5 AC05.1 – Account Categories



Parameter	Value	Rationale/Notes
Account Category	GL Major Account – 4 digit	Since P&L's will be created with all Income Statement data that is sent to AC, the GL chart was used as the Account Categories. Income statements will be generated to the extent that data can be sent to AC. For example, bank fees are not coded in AC by Operating Project since that would usually be for a General Fund project(s).
Description	GL Major Account Description	This Description should match the chart of accounts description – and should be maintained to match the GL whenever GL COA changes occur to this field. An owner of this is needed if not already in place to ensure ownership of this maintenance prior to go-live to keep these in sync.
Type	Revenue – Revenue Cost – Non-Rev P&L Accrual – Bal Sheet Pass Thru – Not used	Revenue and Cost - For all GL Major P&L Accounts. Accrual - For the limited Balance Sheet accounts used in Activities. Pass Thru - Not using Lawson AC Pass Thru Billings – so not used.

This is the screen that defines an account category – similar to a GL Chart of Accounts in GL. These accounts are one set of accounts that can be used by any and all appropriate Activity Group's. Unlike GL

the AC system only has one set of Account Categories – not multiple charts as allowed in GL. This means if multiple Account Category listings are needed then they need to be setup as unique accounts in this screen. These will mimic the GL Chart of Accounts and need to be added here when added in GL. The Capital Tracking for the GL CIP and Fixed Asset GL Accounts will require entry to the Activity Group(s) related to CIP and Fixed Asset GL transactions – allowing the GL control account to tie to the related AC posting activities by requiring an activity in the GL Chart. The AC08/06 and AC07 screens will allow further restrictions (TBD).

Cost Type is used for most accounts – which are similar to an expense account in the GL Chart of Accounts.

Use Account Categories (AC05.1) to define and maintain account categories. An account category, or "cost category", is an additional organizer that can be used to store and post transactions for budgeting and reporting.

****More Information**

-Use the Main tab to define a name or number for an account category, a description of that account category, and select the type or category (revenue, cost, accrual, pass-thru).

-Use the Error Suspense tab to select the account category you want to designate as the error suspense account category. This account category is used to store invalid journal entries or posting errors.

AC05.1 – Account Categories (Error Suspense)

Account	FC	Category	Description
		2980	Error Suspense

This is setup to cover AC Error Suspense. Use the Error Suspense tab to define the account category you want to store invalid journal entry or posting errors in.

2.6 AC08.1 – Category Structure

PDC PORTLAND DEVELOPMENT COMMISSION Welcome Mark to the TEST PORTAL -- Data Area is SAND [logout]

Category Structure (AC08.1) ac08

Category Structure PDC Projects
 Category Type Accrual

Position To

Summary	FC	Category	Description	Depth	Budget	Edit	Account	Category
	<input type="checkbox"/>	REC	Receivables	1	N	Move	Detail	Attrib
	<input type="checkbox"/>	LREC	Loans Receivable	2	N	Move	Detail	* Attrib
	<input type="checkbox"/>	NREC	Notes Receivable	2	N	Move	Detail	* Attrib
	<input type="checkbox"/>	OREC	Other Receivables	2	N	Move	Detail	* Attrib
	<input type="checkbox"/>	PPE	Property, Plant &	2	N	Move	Detail	Attrib
	<input type="checkbox"/>	PHELD	Property, Held for	2	N	Move	Detail	* Attrib
	<input type="checkbox"/>	CFA	Capital Assets	2	N	Move	Detail	Attrib
	<input type="checkbox"/>	FAS	Fixed Assets	3	N	Move	Detail	* Attrib
	<input type="checkbox"/>	DEPS	Deposits	3	N	Move	Detail	* Attrib
	<input type="checkbox"/>	EQUY	Equity	2	N	Move	Detail	Attrib

PDC PORTLAND DEVELOPMENT COMMISSION Welcome Mark to the TEST PORTAL -- Data Area is SAND [logout]

Category Structure (AC08.1) ac08

Category Structure PDC Projects
 Category Type Cost

Position To

Summary	FC	Category	Description	Depth	Budget	Edit	Account	Category
	<input type="checkbox"/>	REQ	Requirements	1	N	Move	Detail	Attrib
	<input type="checkbox"/>	EXP	Expenditures	2	N	Move	Detail	Attrib
	<input type="checkbox"/>	PEXP	Program Expenditur	3	N	Move	Detail	Attrib
	<input type="checkbox"/>	PSVCS	Personal Services	4	N	Move	Detail	Attrib
	<input type="checkbox"/>	SWAGE	Salaries and Wages	5	N	Move	Detail	* Attrib
	<input type="checkbox"/>	BTAX	Benefits and Taxes	5	N	Move	Detail	* Attrib
	<input type="checkbox"/>	MSVCS	Materials and Serv	4	N	Move	Detail	Attrib
	<input type="checkbox"/>	SCONT	Service Contracts	5	N	Move	Detail	* Attrib
	<input type="checkbox"/>	OFCE	Office Expense	5	N	Move	Detail	* Attrib
	<input type="checkbox"/>	PMARK	Public Com & Marke	5	N	Move	Detail	* Attrib

Welcome Mark to the TEST PORTAL -- Data Area is SAND [logout]

PDC PORTLAND DEVELOPMENT COMMISSION **Category Structure (AC08.1)** ac08

>> + Add Change Previous ? Inquire Next Inquire Related Forms

Category Structure **PDC PROJECTS** PDC Projects
 Category Type **R** Revenue

New Position To **REIMB**

Summary FC	Category	Description	Depth	Budget Edit		Account Category	
<input type="checkbox"/>	REV	Net Income	1	N	Move	Detail	Attrib
<input type="checkbox"/>	OFINS	Other Financial So	2	N	Move	Detail	Attrib
<input type="checkbox"/>	TRFIN	Transfer In	3	N	Move	Detail	Attrib
<input type="checkbox"/>	TRINS	Transfers	4	N	Move	Detail	* Attrib
<input type="checkbox"/>	SVSRB	Service Reimbursme	4	N	Move	Detail	Attrib
<input type="checkbox"/>	ORSCS	Other Resources	3	N	Move	Detail	* Attrib
<input type="checkbox"/>	BFUND	Beginning Fund Bal	3	N	Move	Detail	* Attrib
<input type="checkbox"/>	PREV	Program Revenues	3	N	Move	Detail	Attrib
<input type="checkbox"/>	INGOV	Intergovernmental	5	N	Move	Detail	* Attrib
<input type="checkbox"/>	CHGSV	Fees and Charges	5	N	Move	Detail	* Attrib

Parameter	Value	Rationale/Notes
Category Structure	PDC PROJECTS	This is the structure setup for all Activity Groups currently. As part of the implementation future state reporting requirements and AC08/06 Maintenance should be carefully considered when deciding if additional AC08 Category Structures will be needed to be assigned to AC00 Activity Group.
Category Type	R, C, P, A	R – Revenue Summaries C – Cost Summaries P – Pass Thru – not used – since not using Grant Management (GM) or Billing and Revenue (BR) modules A – Accrual
Summary Category	Name of the summary Category – Should mimic the GL Chart Name for reporting ease	Similar to the summary account name in GL on the Chart of Accounts. Can be used in standard reports and inquires and also with LBI reports and other 3 rd party reporting tools. This can vary by PDC program and or project to accommodate reporting needs that vary by project or program.
Description	Name should mimic the GL Chart Description for reporting ease.	Name should mimic the GL Chart Description for reporting ease.
Depth	1-9	Depth levels for reporting. Depth level 1 can be used only once for each. Depths 2-9 can be used multiple times in the structure.

Parameter	Value	Rationale/Notes
Budget Edit	N	<p>N = No Edit. The initial setting since budgets are mostly kept in separate activities than actual for PDC and as a result budget edits have limited to no use. LBI reporting is planned to have daily dashboards as an alternative for GL and AC type commitments, encumbrances and ACT! Type pipeline dollars.</p> <p>If budget edits are turned on the two choices are:</p> <p>D = Detail budget editing level S = Summary budget editing level</p> <p>This field can only be set to D or S for Cost types. This is for budget edits at the summary level – not the category level.</p> <p>This field can be set to D once budget edits are implemented to allow detail edits only in cases where budgets and actual are booked together – which should be rare for PDC.</p>

What is shown here is the existing structure for reporting. The AC08 is setup similar to the GL – since reporting requirements for PDC from the GL and AC are similar and being used for similar reporting needs. Since GL and AC reporting structures are not always setup the same in Lawson it is duplicative and would need to be maintained in both GL and AC to keep the two in sync. AC08 can be setup separately for each Activity Group (AC00) when needed to customize reporting by Activity Group or to set during the implementation. AC08/06 will be a topic of discussion for deciding how many AC08/AC06 settings will be needed to be assigned to each AC00 Activity Group to customize standard reporting and to limit which AC05 Account Categories will be allowed for which Activity Groups. AC06 will allow for overrides to the AC08 settings. This is similar to the summary accounts in GL00 – Chart of Accounts for reporting P&L at the Activity level in AC for data that populates AC.

Use Category Structure (AC08.1) to assign summary account categories to an account category structure, assign a depth level to the summary account categories, and identify the account category structure type (revenue, cost, pass thru, or accrual). A single summary account category may be added with a level of 1 for each category type.

****More Information**

Summary account categories must be added sequentially. For example, an account category with a level of 4 cannot be added unless a level 3 account category has already been added above it. Use Account Category Detail (AC08.3) to assign detail account categories to the summary account categories in a category structure. A summary account category cannot have the same name as a detail account category.

2.7 AC04.1 – GL Code

Parameter	Value	Rationale/Notes
Code	XXXX	Four digit code – field size constraint. Can be numbers sequentially since four digit field size limitation prevents full description of Accounting Unit and Account.
Description	Company and GL Account Description	This describes the coding block defined in this screen of CO, AU, Acct, Sub Acct (sub acc not used by PDC)
Company	XXXX	Company number here. PDC has only one Company currently using GL Zones.
Accounting Unit	XXXX	Accounting Unit
Account	XXXX	From GL Chart of Accounts – will populate the Asset Clearing account – and possible WIP.
Sub Account	BLANK	N/A – PDC does not use sub accounts.
Status	A	Active

Use GL Code (AC04.1) to define and maintain a GL Code. A GL Code is an abbreviation to group a General Ledger company, accounting unit, account, and subaccount for use in Project Accounting. This is used to reduce data entry time. Instead of always selecting General Ledger pieces individually, you can define a GL Code to group the account block.

These codes will be setup as part of the implementation to accommodate AC160 testing for the codes needed to process the AC160 and AM115 to capitalize assets. The AC160 requires the use of these codes as the sole way to input the GL portion of the coding block – therefore if using AC160 then the codes would be required for PDC. This will be loaded post testing pre-go-live.

2.8 AC10.1 – Activity

The screenshot shows the 'Activity (AC10.1)' form in the PDC (Portland Development Commission) TEST PORTAL. The user is logged in as Mark. The form displays the following information:

- Activity:** 033, Central Gateway TSP Update
- Active Budget:** 0
- Activity Group:** DEV (Development)
- Currency:** USD
- Default Account:** 1 390305159 5299
- Status:** PS (Post, Budget, Allocate, Rev)
- Account Category:** [Empty]
- Date Range:** 07/01/1999 - 06/30/2019 (POP)
- Billable, Contract:** No
- Invoice Group:** [Empty]
- Output Measure:** [Empty]
- User Analysis:** [Empty]
- Long Description:** Central Gateway TSP Update

Parameter	Value	Rationale/Notes
Activity	033	This is an example activity that was loaded to Contract Summary. Please notice that an existing three digit Project Portfolio number was used adding a leading zero to the alpha field. Revere recommends a four digit field if PDC confirms that four digits allow for sufficient growth. Leading zeros are discouraged since Lawson to CSV files loaded in Excel tend to drop the leading zeros and cause CSV re-load issues. Since this is an alpha field it will sort like alpha instead of numeric, making it import to keep the values all four digit numeric for this fourth level sub-project.
Activity Description	Central Gateway TSP Update	This is the existing description from Project Portfolio for this sub-project. Prior to loading these to Lawson AC, consideration should be given to the existing descriptions to decide if any changes are required before loading to Lawson. This field is changeable at any time in Lawson based on security access to the AC10 form.
Activity Group	DEV	This is the Prototype name of the Development Activity Group. It is highly unlikely that PDC will go-live with the Prototype four Activity Groups as currently listed because decisions on AC07, AC08, Security, etc. will dictate how Activity

Parameter	Value	Rationale/Notes
		Groups are expanded and consolidated as a result before go-live.
Currency	USD	PDC's only Currency in Lawson.
Default Account	To Match AC07 future restrictions	<p>This field identifies a GL Company. It may be used as a default for transactions being entered in the Activity Journal Entry (AC40 and AC41) forms. This field is required and there is no option for using GL codes in lieu of these fields. Or, your set up might indicate that this company be used as a default for other transactions. For example, the Clearing Co, Acct Unit flag on the Time and Expense tab of Activity Group (AC00) could require the offset to the company paid expenses be created with the activity's Company and Accounting Unit.</p> <p>If the status of this activity on AC00 is Open, the company and accounting unit are required. If this is a GL Only activity, the company and accounting unit are not required.</p> <p>Should Billing and Revenue (BR) be implemented at PDC this becomes an important default for that implementation that can be changed at that time.</p> <p>This value must match the future AC07 settings or any entry made after AC07 will fail due to GL edit failure of the AC07 settings.</p>
Status	To Match current choices or add new ones.	You must type or select the status code for the activity. Status codes indicate what you can do with an activity. Status codes are defined on Status (AC02.1). See AC02.1 in this document for further definitions.
Account Category	BLANK	Default for using Time and Expense – so need to continue to use for the same reason already populating. To establish a default account category, you can type or select the account category. This field is required if the Account flag on the Time and Expense tab for the associated Activity Group (AC00) is set to Activity (A).
Date Range	07/01/99 – 06/13/19	<p>Valid dates for posting to activity for posting dates – based on setup in Activity Group. This field identifies the estimated dates the activity should be completed in. You can type the date the activity begins in this field.</p> <p>Note: This date cannot exceed the activity group date range.</p> <p>If you leave this field blank, the date defined for the activity group defaults. TIP You can override this date range by system</p>

Parameter	Value	Rationale/Notes
		code on Period of Performance (AC10.6). Period of Performance can be the best tool to assign date ranges by system code. When assigning dates the impact on Resources and potential affects on TM should be considered.
Billable, Contract	N	This field determines if the activity is billable and if you can recognize revenue against the activity. The default is No. If this is set to Hold (H), all transactions posted to this activity will have their billable flags set to Hold (H). Therefore, these transactions are not eligible for billing or revenue recognition until the hold is removed. Since the Billing and Revenue (BR) Module continues to be not used by PDC this flag is irrelevant to PDC.
Invoice Group	BLANK	Not used since not invoicing in Lawson Billing. You can choose an invoice group. Invoice groups are defined on Invoice Groups (BR06.1). Use invoice groups to create and print one invoice for each contract within an invoice group, or to create and print one invoice across contracts for a single customer.
Output Measure	BLANK	Type a numeric activity output measure and description. The output measure is used on Output Measure Analysis (AC93 and AC493) to calculate per unit costs and revenues for the activity. For example, if you want to measure activity costs by a specific number of full time equivalents (employees), enter the number of Fees in the output measure and use FTE as the description.
Output Measure Description	BLANK	Type a numeric activity output measure and description. The output measure is used on Output Measure Analysis (AC93 and AC493) to calculate per unit costs and revenues for the activity. For example, if you want to measure activity costs by a specific number of full time equivalents (employees), enter the number of Fees in the output measure and use FTE as the description.
User Analysis	BLANK	Select default user analysis values to use in activity transactions that originate in Project Accounting. You can type the values or use the Define (F6) feature to open the User Analysis Entry subform.
Long Description	"Defaults to same as Description above unless otherwise loaded/keyed here"	You can type an additional description of the activity. If you leave this field blank, the short activity description defaults.

Use Activity (AC10.1) to define and maintain activities. Activities identify the actual tasks being performed for the activity group or overall project defined in Activity Group (AC00.1). Activities are project related and typically identify project phases, tasks, or funding sources. You must define an activity before you can define activity budgets and process transactions.

- Use the Main page to define activity parameters. Use the POP button to set up period of performance date tolerances for the activity on Activity Period of Performance (AC10.6).

- Use the Levels page to define an activity type and location within the activity structure.

- Use the Award page to define award information used with the Lawson Grant Management application.

- Use the Defaults page to define asset default location and division. (If the Asset Edit is Yes on for the Activity Group, these fields are required.)

- Use the Budget Overrides page to define budget editing at the activity level that overrides the default activity group budget edits. Activity level budget edits can be defined for posting activities only.

Use the Main form tab to define and maintain required activity parameters.

AC10.1 – Activity (Levels)

Parameter	Value	Rationale/Notes
Level Type	P	Posting for level four Posting Activities. Summary for level 1,2 and 3 Summary Activities.
Effective Date	BLANK unless running AC120 level re-org to change level addresses.	If you assign a new level address to the activity, you can type or select the date the change is effective. If you add a new level address with an effective date after the current system date, run AC120 (Level Reorganization) to update the levels. If you add a new level address with a blank effective date or an effective date before the current system date, the change occurs from this screen and you do not need to run AC120 (Level Reorganization).
Level 1 Address	600	See activity group grid for full explanation of how levels are setup for PDC. Levels define an addressing system that organizes activities into a reporting hierarchy. Level names are defined for an activity group and should be able to be used across all activities in an activity group. Levels facilitate rollup or consolidation of budgets, costs, and revenues from activities at lower levels to macro activities at a higher level

Parameter	Value	Rationale/Notes
		within the hierarchy. Up to 15 characters can be used to name a single level. The number of characters used to name all levels can total 20.
Level 2 Address	380	See Activity group levels grid for full explanation of level addressing scheme for PDC. Please note that the prototype graphic above had five levels – of which the 2 nd level was removed after prototype build.
Level 3 Address	1150	See Activity Group levels grid for full explanation of level addressing scheme for PDC.
Level 4 Address	33	See Activity Group levels grid for full explanation of level addressing scheme for PDC.
Level 5 Address	BLANK	
New Level Address fields.	Populate when changing level address	This is populated and when the AC120 is run it changes the level address and clears this field. To move an activity to a new location in the activity group structure, you must assign a new level address to the activity. If you add a new level address with an effective date after the current system date, run AC120 (Level Reorganization) to update the levels. This process lets you update your activity group structure to account for responsibility changes and corporate reorganizations. If you add a new level address with a blank effective date or an effective date before the current system date, the change occurs from this screen and you do not need to run AC120 (Level Reorganization). You can view a historical record of level changes by using AC120 (Level Reorganization) and choosing Report Option H (Report Historical Changes).

Use the Levels form tab to define the level address of the activity. The level address identifies the location of the activity in the activity group structure.

The Level Name and Size you defined for the Activity Group display.

Define activities from the top of the Activity Group structure to the bottom. This will help you assign the correct level address to each activity. Define all summary activities before the lower-level posting activities.

If you add a new level address with an effective date after the current system date, run AC120 (Level Reorganization) to update the levels.

If you add a new level address with a blank effective date or an effective date before the current system date, the change occurs from this screen and you do not need to run AC120 (Level Reorganization).

AC10.1 – Activity (Award)

Award page relates to Grant Management Module – therefore not applicable to PDC.

Parameter	Value	Rationale/Notes
Award	N	Unless using the Lawson Grant Management application, accept the default of No. Select Yes for any activity that is an award or award-related. Select Yes for posting activities that exist below an award activity in the activity structure.
Sponsored Effort	N	Unless using the Lawson Grant Management application, accept the default of No. Select Yes if the activity should be included on the Certified Effort report in the sponsored award section. If the activity is cost share or non-sponsored, select No. NOTE Cost share activities will be included in the Certified Effort report if they are defined as cost share activities on Cost Sharing (GM01.2).
Salary Cap	N	Unless using the Lawson Grant Management application, accept the default of No.

Parameter	Value	Rationale/Notes
		<p>Select Yes if the activity is subject to a salary cap and the activity is a posting activity. Sponsored and cost share activities may be subject to salary cap.</p> <p>Select No for summary or contract activities, even if they are award activities. Also select No for any posting activity to which earnings in excess of the salary cap will be charged.</p>
Salary Cap Schedule	BLANK	<p>If the activity is subject to salary cap, select the applicable salary cap schedule.</p> <p>Only posting activities can be associated with a salary cap schedule.</p> <p>Salary cap schedules are used in labor distribution templates to automatically cap salary distribution percentages when an activity is subject to salary cap. If an employee's salary exceeds the salary cap, the percentage charged to the activity is reduced and a new distribution line for the overage is created automatically. Salary cap schedules are also used to produce the Salary Cap Alert Report (GM412).</p> <p>Salary cap schedules are defined using Salary Cap Schedule (GM05.1).</p>
Use Current Cap	N	<p>Salary cap schedules store annual salary cap amounts for multiple effective dates. This field indicates which salary cap amount is used to determine whether an employee's salary exceeds cap.</p> <p>Select N or blank (the default) to use the salary cap amount in effect on the activity's start date.</p> <p>Select Y to use the newest, active salary cap amount in the salary cap schedule. Note: A salary cap amount with an effective date in the future will be used if the salary cap amount's status is Active.</p>
Overage Activity	BLANK	<p>When salary cap rules are applied in a labor distribution template, the system reduces the salary percentage in the distribution line for the activity subject to salary cap and creates a new template line containing the GL account and activity to which the excess salary, or overage, should be charged.</p> <p>You can select an activity to which overage will be charged on the labor distribution template.</p> <p>If you leave this field blank, salary cap overages</p>

Parameter	Value	Rationale/Notes
		are not charged to any activity or account category.
Overage GL Account	BLANK	<p>When salary cap rules are applied in a labor distribution template, the system reduces the salary percentage in the distribution line for the activity subject to salary cap and creates a new template line containing the GL account and activity to which the excess salary, or overage, should be charged.</p> <p>You can select a GL company to which overage will be charged on the labor distribution template.</p> <p>If you leave this field blank, the overage is charged to the GL company in the labor distribution template line from which the overage is initiated.</p>
Overage User Analysis	BLANK	<p>When salary cap rules are applied in a labor distribution template, the system reduces the salary percentage in the distribution line for the activity subject to salary cap and creates a new template line containing the GL account and activity to which the excess salary, or overage, should be charged.</p> <p>You can select a Strategic Ledger user analysis to which overage will be charged on the labor distribution template.</p> <p>If you leave this field blank, the overage is charged to the user analysis (if any) on the labor distribution template line from which the overage is initiated.</p>
Encumbrance Fringe Rate	BLANK	<p>Unless you are using Lawson Grant Management, leave this field blank.</p> <p>Fringe encumbrance rates are assigned to employees in the employee record (HR11) using Grant Management (HR11.3). If the fringe encumbrance rate for this activity should be the default fringe rate assigned to the employee, leave this field blank.</p> <p>If fringe should be encumbered at a different rate for this activity, type the override encumbrance fringe rate. When you add a template on Labor Distribution Template Entry (GM10.2), this activity rate defaults into the labor distribution template line. During Salary Encumbrance Processing (GM110), fringe is encumbered using the rate in the labor distribution template line. If no rate exists in the template line, the rate assigned to the employee</p>

Parameter	Value	Rationale/Notes
		<p>is used.</p> <p>NOTE On Labor Distribution Template Entry Additional Information (GM10.3), you can override fringe encumbrance rates. You can also set a field in each template line so that fringe is not encumbered during Salary Encumbrance Processing (GM110).</p>
Fringe Encumbrance Acct Cat	BLANK	<p>Unless you are using Lawson Grant Management, leave this field blank.</p> <p>To charge fringe encumbrances for this activity to the account category specified for each employee in the employee record (HR11) on Grant Management (HR11.3), leave this field blank.</p> <p>To charge fringe encumbrances for this activity to a different account category than the one specified by employee, type or choose an account category. When you add a template on Labor Distribution Template Entry (GM10.2), the activity fringe encumbrance account category defaults into the labor distribution template line. During Salary Encumbrance Processing (GM110), fringe encumbrances for the grant are charged to the fringe encumbrance account category in the labor distribution template line. If no fringe account category exists in the template line, the fringe account category assigned to the employee is used.</p> <p>NOTE You can override the fringe encumbrance account category on Labor Distribution Template Entry Additional Information (GM10.3).</p>
Fringe Encumbrance Account	BLANK	<p>Unless you are using Lawson Grant Management, leave this field blank.</p> <p>To charge fringe encumbrances for this activity to the account specified for each employee in the employee record (HR11) on Grant Management (HR11.3), leave this field blank.</p> <p>To charge fringe encumbrances for this activity to a different account than the one specified by employee, type or choose an account. When you add a template on Labor Distribution Template Entry (GM10.2), the activity fringe encumbrance account defaults into the labor distribution template line. During Salary Encumbrance Processing (GM110), fringe encumbrances for the grant are charged to the fringe encumbrance account in the labor</p>

Parameter	Value	Rationale/Notes
		<p>distribution template line. If no fringe encumbrance account exists in the template line, the fringe account assigned to the employee is used.</p> <p>NOTE A fringe encumbrance account is needed even if you do not update salary encumbrances (GM commitments) to General Ledger. Be sure a fringe encumbrance account is specified in the employee record on Grant Management (HR11.3) at minimum. You can override the fringe encumbrance account on Labor Distribution Template Entry Additional Information (GM10.3).</p>

AC10.1 – Activity (Defaults)

The screenshot shows the PDC (Portland Development Commission) Activity (AC10.1) interface. At the top, there is a navigation bar with buttons for '+ Add', 'Change', '- Delete', '< Previous', '? Inquire', '> Next', and 'Inquire'. The main content area displays 'Activity 033' and 'Central Gateway TSP Update'. Below this, there are tabs for 'Main', 'Levels', 'Award', 'Defaults', and 'Budget Overrides'. The 'Asset Defaults' section shows 'Location' and 'Division' fields, both currently blank.

Parameter	Value	Rationale/Notes
Location	BLANK	Not using Location and division
Division	BLANK	Not using Location and division

AC10.1 – Activity (Budget Overrides)

The screenshot displays the 'Activity (AC10.1)' interface. At the top, it says 'Welcome Mark to the TEST PORTAL -- Data Area is SAND'. Below this is a navigation bar with buttons for '+ Add', 'Change', 'Delete', 'Previous', 'Inquire', 'Next', and another 'Inquire'. The 'Activity' field contains '033' and the title is 'Central Gateway TSP Update'. The 'Active Budget' is '0'. The 'Budget Overrides' tab is selected, showing fields for 'Budget Checking' (dropdown), 'Level' (dropdown), 'Tolerance' (text input), and 'Estimated Maximum' (text input). To the right, 'Activity Group Defaults' are listed: '1 No Edit' and '1 Activity-Acct Cat'.

Parameter	Value	Rationale/Notes
Budget Checking	BLANK	Blank pending Activity Budget loads and settings post go live. Select the type of budget editing for this activity. Valid values are: 1=No edit 2=Period edit 3=Annual edit 4=Total edit
Level	BLANK	Select the level at which budget checking should be performed for this posting activity. Valid options are: 1=Activity-Acct Cat 2=Activity 3=Activity-Summary Acct Cat
Tolerance	BLANK	Type a value to indicate the percentage by which the budget can be exceeded. For example, to allow budgets to be exceeded by 5%, enter 5.00.
Estimated Maximum	BLANK	You can type a value to indicate the maximum budget allowed for this posting activity. This is informational only, and produces a warning message during activity budget entry when the activity budget exceeds the maximum. The warning message appears on AC20.2 (Activity Budget) to indicate that the activity

Parameter	Value	Rationale/Notes
		budget exceeds the maximum amount. It does not prevent you from exceeding the budget.

2.9 AC10.3 – Activity Asset

AC10.3 – Activity Asset (Main)

This program is attached to an activity and is populated prior to Running AC160 to capitalize an asset to AM115 into Fixed Assets.

Parameter	Value	Rationale/Notes
Activity	This autopopulates from AC10 or key in the activity number	You can type or select the completed activity you want to transfer to the Lawson Asset Management system to track as an asset. You can transfer multiple activities by defining the same combine code, asset template, asset description, hold code, repair information, and asset group for each activity. Each activity must have the same accounting unit, company, and currency code.
Account Category	Usually BLANK	To create multiple assets within a single activity, select the account category that will be capitalized as separate assets. If you are transferring one or multiple activities to one asset, leave this field blank.
Template	Choose a template	You can type or select the asset template you want to transfer activity transactions to. The template must exist in AM12.1 (Addition Template). If you select a template name, leave the Item field blank.
Quantity	Fill in Quantity	You can type the number of units that make up this asset item.

Parameter	Value	Rationale/Notes
Asset Description	Fill in Description	You can type a description of the asset. If you leave this field blank, the activity description defaults.
Combine	Use a combine code if needed	To capitalize multiple activities in one asset, type or select the code that identifies the group. All the activities you want to include in an asset must have this combine code assigned to them. To capitalize multiple activities in one asset, each activity must have the same combine code, asset template, asset description, asset repair information, hold code, and asset group on this form and all the activities must have the same accounting unit, company, and currency code. This code is only valid to combine assets with the same value in this field when running AC160. Separate runs of AC160 would be unable to combine the same code across separate runs of AC160 – so be sure all items needed for combine are included before running AC160 in update.
Tag	Fill in any asset number	You can type or select a tag number to identify each asset item. If you use an asset template, tag number is optional.
Asset Group	Use asset group if needed	You can type or select a grouping of assets in an asset group.
Hold	Hold Code	This field determines whether assets are held in the Asset Management system. The default is No. You can only hold activity assets you are transferring for the first time. If you select Yes, the activity asset is not capitalized and depreciation is not calculated until the hold is removed in the Asset Management system. Note: (The activity asset is still transferred to the Asset Management system.) Run AM115 (Mass Additions) to change the activity asset hold code.
Location	BLANK	You can type or select a user-defined location name which represents where an asset is physically located. Locations are used to report asset information. If you select a location in this field, the location defined in AM20.1 (Quick Addition) is overridden.
Division	BLANK	You can type or select a user-defined division which is used for reporting assets.

Parameter	Value	Rationale/Notes
		If you select a division in this field, the division defined in AM20.1 (Quick Addition) is overridden.

Use Activity Asset (AC10.3) to define and maintain the parameters used to capitalize activity costs in the Lawson Asset Management application. This process is referred to as capitalization. You can capitalize accumulated activity costs to one asset or multiple assets.

NOTE You can only use AC10.3 if you use both Project Accounting and Asset Management.

**More Information

Consider the following when setting up activities to be capitalized:

- Define activity asset information on AC10.3. Parameters can be defined for a posting activity and detail account category, or for all detail account categories associated with a posting activity.
- Account categories containing costs you want to capitalize must be flagged to allow capitalization by setting the Cap field to Y on Account Category Structure Detail (AC08.3), or on Override Account Categories (AC06.1).
- The activity status must allow capitalization. Use Status (AC02.1) and select the Cap field. Then assign that status on Activity (AC10.1).

You can use combine codes to create one asset from multiple activities and account categories. Assign the same combine code, asset template, asset description, tag, hold code, and asset group. If you use activities to accumulate repair or maintenance costs on existing assets, you can use the Repair tab to track those costs with the asset in Asset Management. The costs do not add to the asset's value, and are tracked only as information. The above screen is from the asset button on the main AC10 Activity tab. This is the program that the asset is defined for later using the AC160 and AM115 to capitalize CIP into Fixed Assets and create an asset(s) in the AM system and move the AC actual from CIP to Fixed Asset GL control accounts.

Use the Main form tab to define and maintain required parameters to transfer information to the Lawson Asset Management system.

AC10.3 – Activity Asset (Item)

Parameter	Value	Rationale/Notes
Activity	This autopopulates from AC10 or key in the activity number	<p>You can type or select the completed activity you want to transfer to the Lawson Asset Management system to track as an asset.</p> <p>You can transfer multiple activities by defining the same combine code, asset template, asset description, hold code, repair information, and asset group for each activity. Each activity must have the same accounting unit, company, and currency code.</p>
Account Category	Usually BLANK	<p>To create multiple assets within a single activity, select the account category that will be capitalized as separate assets.</p> <p>If you are transferring one or multiple activities to one asset, leave this field blank.</p>
Item	Item number (ie: 1,2, 3)	<p>You can type or select the asset item number, which is composed of different elements, but is depreciated as a single unit.</p> <p>If you use an asset template, item number is optional.</p>
Purchase Date	Purchase date optional	<p>You can type the date the asset was purchased. The purchase date can be different from the in-service dates used for the depreciation books. This date must come before the in-service date, but can be the same.</p> <p>If you leave this field blank, the in-service date.</p>
In-Service Date	Populate	You can type the date the asset starts to

Parameter	Value	Rationale/Notes
		depreciate once it is capitalized. The in-service date cannot be before the purchase date, but can be the same.
Tax	Populate if needed	You can type the tax amount for an item. The item tax amount is added to the item cost calculated by the Asset Management interface.
Model	Optional	You can type the model number of the asset. This field is valid only if you use an asset template.
Serial	Optional	You can type the serial number of the asset. This field is valid only if you use an asset template.
PO	Optional	You can type the purchase order number of the asset.

AC10.3 – Activity Asset (Adjust)

This tab is used only when appending to an existing asset already in AM115.

Parameter	Value	Rationale/Notes
Append Option	Y	Select Y (Yes) if you want subsequent runs of Asset Management Interface (AC160) to append items to the existing asset (previously created by AC160) for this activity/account category combination. Select N (No) if you want subsequent runs of Asset Management Interface (AC160) to create a new asset each time AC160 is run for this activity/account category combination.
Append to Asset	Optional	Specify the existing asset to which Asset Management Interface (AC160) should append items on subsequent runs. This field is updated by AM15.3, AM15.4, or AM 115, but can be manually changed here if needed.
Add to Basis	\$ Value	Enter a value for the Add to Basis field on asset item adjustment interface records when Asset Management Interface (AC160) is run. This value determines whether the item cost is added to the asset basis amount when Item Update Interface Adjustment (AM551) is run. If you select N (No), AC160 will not create a GL transaction for the adjustment because Asset Management also does not create a GL transaction. If you select Y (Yes), AC160 will create a GL transaction for the adjustment because Asset

Parameter	Value	Rationale/Notes
		Management also creates a GL transaction if you choose to post to GL when running Processing Release (AM170).
Compute Depreciation	NA usually	Specify whether or not depreciation is calculated for the adjustment asset when Item Update Interface Adjustment (AM551) is run. This value is added to the Compute Depreciation field on the item when Asset Management Interface (AC160) is run.

AC10.3 – Activity Asset (Repair)

Use the Repair form tab to define and maintain asset repair information. You can only repair assets that are transferred to the Lawson Asset Management system.

Parameter	Value	Rationale/Notes
Asset	Asset number	You can type or select the asset number you transferred the activities to that you want to repair. The asset number must be valid in AM20.2 (Additions and Adjustments). If you select an asset number, leave the Template field in the Main form tab blank.
Tax	\$ Value	You can type the tax amount for the repair. This field indicates the tax on an asset repair.

AC10.3 – Activity Asset (Transaction)

The screenshot shows the PDC (Portland Development Commission) Activity Asset (AC10.3) interface. At the top, it says 'Welcome Mark to the TEST PORTAL -- Data Area is SAND' with a [logout] link. The page title is 'Activity Asset (AC10.3)' and the user ID is 'ac10'. The navigation bar includes buttons for Back, Detach, Add, Change, Delete, Previous, Inquire, Next, and Related Forms. The main content area has tabs for Main, Item, Adjust, Repair, and Transaction. Under the Transaction tab, there are input fields for 'Asset Clearing' and 'WIP'. The 'Activity' field is set to '033' and the 'Account Category' is empty. The 'Asset Clearing' and 'WIP' fields are also empty.

Parameter	Value	Rationale/Notes
Asset Clearing	GL Code for asset clearing account.	You can type or select the asset clearing account code defined in AC04.1 (GL Code) where you store transaction information. This account only stores debit transactions.
WIP	GL Code for WIP – Optional depending on how the transaction originates.	You can type or select the WIP code defined in AC04.1 (GL Code) where you store transaction information. This account only stores credit transactions. If you leave this field blank, the system creates credit entries in the account used to post transactions to the activity.

Use the Transaction form tab to define the General Ledger asset clearing account (debit) and WIP (work-in-progress)(credit) account codes.

All transactions are initially posted to the asset clearing account in the General Ledger system.

2.10 AC06.1 – Override Account Categories

AC06.1 – Override Account Categories (AC06.1)

Ovrd FC	Exists	Account Category	Type	St	Bl	Rev	TM	Cap	Markup Percent	Asset
<input type="checkbox"/>	N	1401 Loans Receivable - Inhouse	A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Asset
<input type="checkbox"/>	N	1402 Loans Receivable - Leader	A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Asset
<input type="checkbox"/>	N	1404 Loans Receivable - Perf Intrst	A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Asset
<input type="checkbox"/>	N	1405 Loans Receivable - PLPA Share	A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Asset
<input type="checkbox"/>	N	1450 Loans Receivable - Undisbursed	A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Asset
<input type="checkbox"/>	N	1498 Loans Receivable - Allowance	A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Asset
<input type="checkbox"/>	N	1499 Loans Receivable - Overdisburs	A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Asset
<input type="checkbox"/>	N	1520 Notes Receivable	A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Asset
<input type="checkbox"/>	N	1525 Allowance for Notes Receivable	A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Asset

Parameter	Value	Rationale/Notes
Type	A, R, C	This field indicates the type of amounts in this category group: revenue or expense or accrual.
St	A	The account category status. Valid values are "A" Active and "I" Inactive.
BL	N	This field determines whether the account category is billable. The default is No. Not used by PDC – not using BL Module.
Rev	N	Determines whether revenue can be recognized for the account category. – Not applicable since Revenue recognition in BL/AC/AR not used at PDC in Lawson.
TM	M	This flag indicates whether this account category represents time (labor) or materials for T&M processing. M=Material. T=Time
Cap	N	This field determines whether the account category can be capitalized. The default is No. Cost is transferred to the Lawson Asset Management system to determine the total cost of the asset upon completion.
Markup Percent	BLANK – not using Lawson Billing and Revenue or Lawson AR	If you selected Yes in the Bl or Rev field, and your billing or Revenue method is Cost Plus, define your markup percentage in this field. The percentage entered here is multiplied by the cost amount on an activity transaction to calculate the billing and/or revenue amounts. Billing methods are defined on Activity Billing (BR00), and revenue methods are defined on Contract (BR10).

Parameter	Value	Rationale/Notes
		This percent is multiplied with the cost amount to determine the total billable amount.

Use Override Account Categories (AC06.1) to assign specific account categories defined in AC05.1 (Account Categories) to a posting activity. The assignments you create on this form override the activity group/account category structure relationship set up on AC00.1 (Activity Group). Account category overrides allow the structure level account category parameters to be overridden for an individual posting activity. Once you run posting using this assignment, you cannot delete an account category when it is assigned using this form.

****More Information**

Overrides can be created only for account categories within the category structure assigned to the activity group, and can be deleted at any time. Use Mass Add to select multiple account categories to assign to an activity.

AC06.2 – Override Account Categories

Welcome Mark to the TEST PORTAL -- Data Area is SAND [logout]

Override Mass Add/Change (AC06.2) ac06

Back Detach + Add Change ? Inquire | Inquire

Activity **033** Central Gateway TSP Update

Markup

St BI Rev TM Cap Percent

Default Values A N N M N

Account Category -

Parameter	Value	Rationale/Notes
ST	A	The account category status. Valid values are "A" Active and "I" Inactive.
BI	N	This flag identifies whether an activity/account category is eligible for billing methods.
Rev	N	This flag identifies whether an activity/account category is eligible for revenue recognition.
TM	M	This flag indicates whether this account category represents time (labor) or materials for T&M processing.
Cap	N	This flag indicates whether an account category is to be capitalized.
Markup Percent		This field indicates the percentage of markup for billing. If an account category is billable, a mark-up percentage can be established. A rate schedule is for labor transactions only. Mark-up percentages will increase the amount by the percent entered.

Use Override Mass Addition (AC06.2) to select multiple account categories to assign to a posting activity on AC06.1 (Override Account Categories). This form allows you to load a range of account categories and specify the parameters to apply to all account categories in the range. The load function will not affect any account categories previously assigned to an activity.

2.11 AC07.1 – Account Assignment

Welcome Mark to the TEST PORTAL -- Data Area is SAND [\[logout\]](#)

PDC **Account Assignment (AC07.1)** ac07

PORTLAND DEVELOPMENT COMMISSION

Activity Group: PDC HISTORY
 Activity: 3rd & 4th Ave Streetscapes
 Account Category:

FC	Type	Inc or Exc	Beginning Value	Ending Value	Or
<input type="checkbox"/>	1 Company	<input type="checkbox"/>	<input type="text" value="0001"/>	<input type="text" value="0001"/>	<input type="checkbox"/>
<input type="checkbox"/>	2 Accounting Unit	<input type="checkbox"/>	<input type="text" value="320443160"/>	<input type="text" value="320443160"/>	<input type="checkbox"/>
<input type="checkbox"/>	2 Accounting Unit	<input type="checkbox"/>	<input type="text" value="320490138"/>	<input type="text" value="320490138"/>	<input type="checkbox"/>
<input type="checkbox"/>	2 Accounting Unit	<input type="checkbox"/>	<input type="text" value="320490140"/>	<input type="text" value="320490140"/>	<input type="checkbox"/>
<input type="checkbox"/>	2 Accounting Unit	<input type="checkbox"/>	<input type="text" value="320490143"/>	<input type="text" value="320490143"/>	<input type="checkbox"/>
<input type="checkbox"/>	2 Accounting Unit	<input type="checkbox"/>	<input type="text" value="320490146"/>	<input type="text" value="320490146"/>	<input type="checkbox"/>
<input type="checkbox"/>	3 Account	<input type="checkbox"/>	<input type="text" value="001110"/>	<input type="text" value="009999"/>	<input type="checkbox"/>
<input type="checkbox"/>	4 Sub Account	<input type="checkbox"/>	<input type="text" value="0000"/>	<input type="text" value="9999"/>	<input type="checkbox"/>
<input type="checkbox"/>		<input type="checkbox"/>			<input type="checkbox"/>

Not used at this time since RQ templates control most coding. This program would otherwise allow locking down of valid GL coding to be allowed with each activity or activity group.

Parameter	Value	Rationale/Notes
Activity Group	PDC HISTORY	Identify the activity group to which you are assigning a General Ledger account structure. General Ledger account assignments are dependent on account category assignments and account edit options. See the Project Accounting User Guide for detailed considerations for General Ledger account assignments.
Activity	Activity Number to define (H10025)	If you selected No in the All Activities field, type or select the activity you want to assign General Ledger information to.
Account Category	Optional – Account Category	If you selected No in the All Account Categories field, type or select the account category you want to assign General Ledger information to.
Type	1,2,3,4	This field determines the General Ledger account information you are associating with the activity group, activity, and account category. Select Company, Accounting Unit, Account, or Subaccount.
Inc or Exc	E,I	This field determines whether the Company, Accounting Unit, Account, or Subaccount is included or excluded from the account assignment.
Beginning Value	Beg Value	You can define a specific range of values to include or exclude from the account assignment. Type or select the beginning value

Parameter	Value	Rationale/Notes
		<p>in this field.</p> <p>For example, to define information for a range of Accounting Units, select the beginning accounting unit in this field and an ending accounting unit in the Ending Value field.</p> <p>To include or exclude one accounting unit, select that accounting unit in this field and leave the Ending Value field blank.</p>
Ending Value	End Value	See beginning value rationale above.
Clr	1	<p>This field lets you combine general ledger information.</p> <p>For example, assign 1 to group a Company, Accounting Unit, and Account type.</p> <p>When you define an "Or Group", all the values must either be Included or Excluded.</p>

Use Account Assignment (AC07.1) to assign General Ledger companies, accounting units, accounts, and subaccounts to activity group, activities, and account categories. The company must exist in GL10.1 (Company) and the accounting units, accounts, and subaccounts must exist in GL20.1 (Accounting Unit-Account). Account Assignment validates the General Ledger information that is associated with an account, and can restrict the company, accounting unit, account and subaccount for an activity group, activity, and account category.

You can define the specific General Ledger information that posts to the activity group, activity, and account category using the Or and Inc/Exc fields. The Or feature lets you include or exclude combinations of general ledger information while the Inc/Exc feature lets you include or exclude individual or ranges of general ledger information.

2.12 AC05.2 – Account Category Group

Group	Description	All
CN	Contingency	No
CO	Capital Outlay	No
DS	Debt Service	No
FA	Financial Assistance	No
MS	Materials & Services	No
PS	Personal Services	No
RV	Revenue	No

View 25 Records Previous 25 Next 25 Records 1 - 7

Welcome Mark to the TEST PORTAL -- Data Area is SAND [logout]

PORTLAND DEVELOPMENT COMMISSION
Account Category Group (AC05.2) [ac05.2]

+ Add Change Delete Previous Inquire Next Inquire

Group Financial Assistance
 All No

Position To

FC	Account Category	Description	Type
<input type="checkbox"/>	7810	Loans to Borrowers CY Funded	C
<input type="checkbox"/>	7811	Loans To Borrowers - PLPA - DO	C
<input type="checkbox"/>	7815	Loans to Borrowers PY Funded	C
<input type="checkbox"/>	7820	Grants CY Funded	C
<input type="checkbox"/>	7825	Grants PY Funded	C
<input type="checkbox"/>			

Parameter	Value	Rationale/Notes
Group	FA	Identify the activity group to which you are assigning a General Ledger account structure. General Ledger account assignments are dependent on account category assignments and account edit options. See the Project Accounting User Guide for detailed considerations for General Ledger account assignments.
Description	Group Name	Name of group.
All	Y/N	If yes then all account categories are included without naming below.
Account Category	Acct Cat number	Account categories are groupings of costs, revenues, or a combination of both used for

Parameter	Value	Rationale/Notes
		<p>reporting and inquiries for activities in the Activity Management system. All transactions are posted to an account category within an activity. You can assign a specific General Ledger account or range of accounts (company, accounting unit, account, and subaccount) that make up the transactions posted to an account category using AC07.1 (Account Assignment).</p> <p>Period-to-date, year-to-date, and life-to-date balances are maintained by account category for activities. Account categories must be assigned to activities before you do any budgeting or transaction processing.</p> <p>Valid account category types are: cost revenue accrual pass thru</p>

Use Account Categories (AC05.1) to define and maintain account categories.

An account category, or "cost category", is an additional organizer that can be used to store and post transactions for budgeting and reporting.

****More Information**

Use the Main tab to define a name or number for an account category, a description of that account category, and select the type or category (revenue, cost, accrual, pass thru).

Use the Error Suspense tab to select the account category you want to designate as the error suspense account category. This account category is used to store invalid journal entries or posting errors.

2.13 AC10.7 – Period of Performance Template

This can be used to control by system code valid dates of entry for Lawson AC. This is useful when you PDC needs to accrue future year commitments but not allow actual. In that scenario System Code RQ and PO can be used. This form allows for templates to be created to maintain POP.

Parameter	Value	Rationale/Notes
POP Template	FA	The name of the template the detail records are associated to. FA was used if we were to create a template for the Financial Assistance POP
POP Template Description	Financial Assistance	Description of the Template
Sys	RQ	System code defining entries for
Begin Days	10	The number of days to be subtracted from the begin date of the activity or activity group the template is applied to. This calculation will result in the POP record begin date.
End Days	10	The number of days to be added to the end date of the activity or activity group the template is applied to. This calculation will result in the POP record end date.

Use Period of Performance Template (AC10.7) to create period of performance templates for system codes. The template specifies the Begin Days and End Days to use for the system code. The number of Begin Days is subtracted from the activity or activity group's Date Range, while the End Days is added to the activity or activity group's Date Range.

You can use a period of performance template to easily define similar date tolerances for multiple activity groups or activities. After creating a period of performance template on Period of Performance Template (AC10.7), you can assign it to an activity group or activity rather than having to specify the number of Begin Days and End Days.

2.14 AC12.1 – Activity Status

Portland Development Commission | Activity Status (AC12.1) | Welcome Mark to the TEST PORTAL -- Data Area is SAND | [logout]

ac12 [Search] [Print] [Help]

Change | Inquire | Inquire | Related Forms

Status: PS [Filter] [Position To: 105404]

FC	Stat	Activity	Description	Effective Date
[v]	PS	033	Central Gateway TSP Update	07/01/1999 - 06/30/2019
[v]	PS	102537	Eleek Inc.	07/01/1999 - 06/30/2019
[v]	PS	104339	De La Salle North Catholic	07/01/1999 - 06/30/2019
[v]	PS	104446	Woodstock Market	07/01/1999 - 06/30/2019
[v]	PS	104836	Steve's Imports	07/01/1999 - 06/30/2019
[v]	PS	104945	Peter Corvalis Productions	07/01/1999 - 06/30/2019
[v]	PS	104988	Wade Property	07/01/1999 - 06/30/2019
[v]	PS	105011	Laura Demeri	07/01/1999 - 06/30/2019
[v]	PS	105020	Patrick Butler	07/01/1999 - 06/30/2019
[v]	PS	105021	Patrick Butler	07/01/1999 - 06/30/2019
[v]	PS	105222	J&L Empire LLC	07/01/1999 - 06/30/2019
[v]	PS	105274	Trebol Mexican Restaurant	07/01/1999 - 06/30/2019
[v]	PS	105346	Beaterville Caf	07/01/1999 - 06/30/2019
[v]	PS	105356	Murase Mississippi Bldg.	07/01/1999 - 06/30/2019
[v]	PS	105403	Realty One	07/01/1999 - 06/30/2019

Parameter	Value	Rationale/Notes
Status	PS	<p>You can type or select the status you want to display. All activities associated with the status display.</p> <p>If you leave this field blank, all activities display in alphabetical order.</p> <p>Choose the Filter button to limit your search.</p> <p>Statuses are defined in AC02.1 (Status) and associated with activities in AC10.1 (Activity).</p>

This allows viewing of status by activity and you can filter to see it.

Use Activity Status (AC12.1) to view and change the status assigned to each activity. A status identifies the processes an activity can perform. You define the original status in AC02.1 (Status) and assign the status to an activity on the Main form tab in AC10.1 (Activity).

2.15 Procurement Setup

In order to enable the daily interfaces of loans and grants from an external system to Lawson, pre-encumbrance and encumbrance transactions (Lawson AC commitment transactions) will be initiated through the creation of requisition and purchase orders in the Lawson RQ and PO sub-systems.

2.15.1 Loan System Interface to Lawson through Procurement

The following table provides a summary view of the data flow between the Loan System and Lawson for loan commitments and loan closing:

Loan System Event/Process	Interface Process to Lawson
Loan Commitment – this process is initiated by the creation of a loan commitment letter to a loan applicant	<ul style="list-style-type: none"> • Loan data extracted from Loan System (with a loan number) • Data formatted as input CSV file to RQ500 • RQ500 creates requisition records: <ul style="list-style-type: none"> ○ Requisitions will be released and be in the Needs Approval status ○ Requisition numbers are auto-generated by Lawson
Loan Closing – this process is initiated when a final loan approval is made. An important assumption is that the loan amount at closing can be different from the loan commitment amount	<ul style="list-style-type: none"> • Loan data extracted from Loan System to 2 files: • First file will drive a Process Flow program to execute requisition maintenance: <ul style="list-style-type: none"> ○ Query to find requisition number associated with the loan ○ RQ12 (or RQ13) – to unrelease the requisition ○ RQ10 – to delete the requisition record • Second file formatted as CSV input to PO520 – create purchase order for the loan

The remainder of this section describes a sample configuration of the RQ/PO sub systems to facilitate this integration.

2.15.2 RQ02 Approval Code

The setup of an approval code will be required to allow for the interface of requisition records through RQ500 in a released status but waiting approval. The Approval Code should be assigned to all requisition records interfaced from loan commitments created in the Loan System.

The following is a sample screen shot:

Approval Codes (RQ02.1)

Company: 1 | Default IC Company: USD
 Approval Code: LOANS | LOAN APPROVAL CODE

Options:
 Skip Lower Levels: Y | Yes
 Printed Copy Required: N | No

Level	Lower Limit	Name or Title	Authorization ID
1	1	LEVEL 1	LOAN1
2			
3			
4			
5			
6			

The value of the **Authorization ID** will be referenced in program RQ12 when “unreleasing” the requisition prior to the creation of the corresponding purchase order.

Parameter	Value	Rationale/Notes
Approval Code	Value 'LOANS'	Each requester must be assigned to an approval code. It defines the hierarchy of approvals
Skip Lower Levels	Value 'Y'	Indicates whether a manager at a higher approval level can approve a requisition before a lower level manager has approved the same requisition. Value Yes indicates that an upper manager can approve the requisition before the lower managers.
Printed Copy Required	Value 'N'	Defaults to N. Indicates whether requisition is printed if program RQ111 (Print Requisition) is run

Parameter	Value	Rationale/Notes
Lower Limit	Value 1 (to enforce all requisitions to be approved)	Lower limit for authorization – if the requisition total value is equal to or greater than this value, the requisition has to be approved by the corresponding manager before it is picked or reviewed by the buyer.
Name or Title	Value 'LEVEL 1'	Free form name or title
Authorization ID	Value 'LOANS'	This serves as a password on RQ12 to allow the manager to review the requisitions needing approval at the limit amount.

2.15.3 PO04 Buyer Code

Buyer codes are assigned to requisitions and purchase orders. Additional analysis is needed to determine if a single generic buyer code should be assigned to loans and grants or one code for loans and one code for grants.

Sample setup screen:

Buyer (PO04.1)

+ Add Change - Delete < Previous ? Inquire > Next Inquire

Procurement Group PDC Procurement Group

Buyer Code FINANCIAL ASSIST-LOANS

Buyer Information Worksheet Filters

Buyer Login Status Active

Address 1

Address 2

Address 3

Address 4

City or Address 5

State or Province Postal Code

Country

Telephone

Fax Number

E-mail

Buyer Group

Limit Per PO

Require Commodity Code Not Required

— Allow Unit Cost Override —

From Vendor Agreements No From Last PO or Last Cost No

From Strategic Sourcing No

Attributes

2.15.4 RQ01 Requesting Location Code

Requesting location codes are assigned to a Requester setup (RQ04) and is used for defining default rules on requisition records.

Sample setup:

Requesting Locations (RQ01.1)

The screenshot displays the 'Requesting Locations (RQ01.1)' configuration window. At the top, there are navigation buttons: '+ Add', 'Change', '- Delete', '< Previous', '? Inquire', '> Next', and 'Inquire'. Below these are fields for 'Company' (value: 1) and 'Default IC Company'. The 'Requesting Location' is set to 'FINAS' with a value of 'FINANCIAL ASSISTANCE'. The 'Main' tab is selected, showing fields for 'From Company' (1), 'From Location' (1), 'Location Rule', 'Transaction Type' (IS), 'Issue Account', 'Activity', 'PO Code', 'Process Level', 'Buyer' (FAL), 'Fill or Kill Flag' (F), 'Stockless Flag' (N), 'Single Document to a PO' (1), 'Requisition Approval Type' (0), and 'Status' (A). The 'Buyer' and 'Requisition Approval Type' fields are circled in purple. An 'Attributes' button is at the bottom.

Parameter	Value	Rationale/Notes
From Company	Value 1	Select the company that is the source of the items. This will be the default company on the requisition
From Location	Value '1'	The inventory location that supplies the items or the purchase order ship to location that receives the item – it is the default from location on the requisition
Transaction Type	Value 'IS'	Indicates the type of inventory transaction to be created for inventory items when the item is shipped to the requesting location. Does not have an impact for loan processing but field is required.
Buyer	Value 'FAL'	Buyer code defaults on all requisitions (can be overridden)
Requisition Approval Type	Value '0'	Indicates requisition approval type. '0' = Header using Approval Codes.

2.15.5 RQ04 Requester

Requester Codes are required to be assigned to each requisition record. Additional analysis is required to determine whether one requester code is sufficient or multiple ones are needed.

The following is a sample requester code setup:

Parameter	Value	Rationale/Notes
Requesting Location	Value 'FINAS'	Will be the default requesting location when a requisition is entered using this requester code
Requisition Approval Type	Value '0'	Indicates the requisition approval type. 0 = Header using Approval Codes or 1 = Header using Process Flow Additional detail analysis will be needed to determine the appropriate setup. This will be used to define the steps involved in the interface of loan commitments (whether to use RQ12 or RQ13 to unreleased a requisition)

2.15.6 PO01 - PO Company

PO Codes are currently not being utilized in PDC’s configuration of the Lawson PO system. Purchase order numbers are assigned manually based on an off-system log. Different ranges of purchase order numbers are reserved based on the type of purchase order.

In order to enable the use of PO Codes, the following setup is needed for PO01:

The screenshot shows the 'PO Company Setup (PO01.1)' window. At the top, there are navigation buttons: Add, Change, Delete, Previous, Inquire, Next, and a dropdown Inquire. The 'Company' field is populated with 'Portland Dev Commission'. Below this are tabs for Main, PO Code, PO Numbering, PO Issue, PO Bill To, Receiving, Returns, and Comment. The 'Processing' section contains two dropdown menus: 'Allow Manual Entry' is set to 'A' with the text 'All Documents' next to it, and 'Default Method' is set to '6' with the text 'Code Not Defaulted' next to it. The 'System Defaults' section lists several fields with icons: Purchase Order, Vendor Returns, Inventory Control, Requisitions, Order Entry, Case Carts, and Strategic Sourcing.

Parameter	Value	Rationale/Notes
Allow Manual Entry	Value 'A'	Indicates that the value for PO Code can be entered manually for all documents. This field is currently set to 'N' (No).

2.15.7 PO05 – PO Codes

Current PO Codes are not being used. In order to segregate the processing and reporting of purchase order records originated from loan or grant processing, the PO Code component of a purchase order number will be defined for this purpose.

At a minimum, it is recommended for 2 codes to be defined as illustrated below:

The screenshot shows a web interface titled "PO Codes (PO05.1)". At the top, there are navigation buttons: "+ Add", "Change", "Inquire", and a dropdown "Inquire". Below the buttons, the "Procurement Group" is set to "PDC" with a link to "PDC Procurement Group". The main area contains a table with the following data:

FC	Code	Description	Status
[Dropdown]	GRNT	GRANT	A
[Dropdown]	LOAN	LOAN	A
[Dropdown]			[Dropdown]
[Dropdown]			[Dropdown]

Value 'GRNT' to be assigned to all grants and 'LOAN' to loans. During the implementation detail design, some further discussion should occur to assess the need for additional codes (possibly identifying the type of loan or grant, or PDC's financial assistance program).

2.16 Prototype of Interface Transactions for Loans and Grants

One of the key design assumptions for the future state of PDC’s financial systems is that each loan and grant will be identified and defined in Lawson as a posting activity (AC10). This section of the document illustrates the transactions that were prepared during a prototype to validate the proposed design for the re-implementation of the Lawson AC module.

2.16.1 Requisitions

Requisition transactions will be interfaced from the Loan Servicing System to record a pre-encumbrance. This transaction is triggered when a loan commitment is issued to a potential borrower but before a final loan closing occurs.

Prototype requisitions were entered directly via RQ10 (in the future state, they will be interfaced via RQ500).

RQ10 – Header Tab

The screenshot displays the 'Requisition (RQ10.1)' header tab. At the top, there are navigation buttons: Add, Change, Delete, Previous, Inquire, Next, and a dropdown Inquire. Below this, the 'Requester' is set to 'LOAN' with a link to 'LOAN REQUISITION'. The 'Requisition Number' is '1524' with a 'Needs Approval' status, and the 'Total' is '10000.00' in 'USD'. The form is divided into several sections: 'Company' (1, Default IC Company), 'Requesting Location' (UDD, URBAN DEVELOPMENT), 'Deliver To', 'From Company' (1, Default IC Company), 'From Location' (1, Default Location), and 'Location Rule'. Below these are 'Requested Delivery Date' (06/30/2010), 'Priority', 'Quote Required', and 'Print Requisition' (N). The bottom section includes 'PO User Field 1', 'PO User Field 3', 'PO User Field 5', 'PO User Date 1', 'PO User Date 2', 'User Analysis' (800100), 'Item Entry Code' (1, Item), and 'Single Document to a PD' (2, Yes).

Parameter	Value	Rationale/Notes
Requisition Number	Value 'UDD'	Auto-generated
Requesting Location	Value 'UDD'	For prototype used an existing location – to be further defined in detail design
User Analysis	Loan Number	Value to be assigned by interface from the Loan System – to be further defined in detail design

RQ10 – Miscellaneous Tab

Requisition (RQ10.1)

Requester: LOAN USD
 Requisition Number: 1524 Total: 10000.00

Line Defaults

Accounting Unit:
 Account:
 Activity:
 Account Category:

Vendor:
 Vendor Name:
 Purchase From:
 Currency Code:
 Buyer: FAL
 Tax Code:
 Taxable:
 Comment Code:
 Sourcing Event: Not Required

Parameter	Value	Rationale/Notes
Buyer	Value 'FAL'	Buyer code defined to identify Financial Assistance loans – to be further defined in detail design as to whether multiple values will be defined.

RQ10 – Line Tab

Requisition (RQ10.1)

Requester: LOAN USD
 Requisition Number: 1524 Total: 10000.00

Header	Miscellaneous	Lines	Template	Drop Ship	PO Bill To	User Fields
FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	LOAN	1.00	DL	10000.00	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency

Item Description: LOAN REQUEST

Vendor Item:

Account: 350203160 1

Activity: 682571

Asset Template: 1

Requested Delivery Date: 06/30/2010

Item Type: Cost Opt: Use Entered Cost:

Service Code:

Parameter	Value	Rationale/Notes
Item	Value 'LOAN'	Value 'LOAN' or 'GRANT'
Quantity	Value 1	
UOM	Value 'DL'	
Unit Cost		Value of loan or grant amount being committed
Item Type	Value 'S'	Service item – item master setup is not required
Activity		Posting activity number (loan number)
GL distribution		Values to be further defined during detail design
Account Category		Value to be further defined during detail design

AC98 – Updated Commitment Balance

After the requisition record is released, Lawson updates the Commitment balance (with an identifier as an RQ commitment).

Commitment Detail Analysis (AC98.1)

Navigation: Previous | Inquire | Next | Inquire

Activity: 682571 | Oregon Pianos
Account Category: 7810 | Loans to Borrowers CY Funded
Year, Periods: 2010 | 1 - 12 | 07/01/2009 - 06/30/2010

Buttons: Filter, Total

FC	Company	Resource	Document or Job Code	Item, Description or Pay Code	
	1	5064	0001524	LOAN	
		RQ 06/30/2010	Amount	10,000.00	Unit 1.00
			Amount		Unit
			Amount		Unit

2.16.2 Purchase Order

Purchase order transactions will be interfaced from the Loan Servicing System to record an encumbrance. This transaction is triggered when a loan final approval is granted. An assumption that was made in the design of the integration between the Loan System and Lawson is that the final loan approved amount can be different than the original loan commitment amount.

Purchase orders were entered directly via PO20 in the prototype (in the future state, they will be interfaced via either PO520 or a process flow performing direct update through PO20).

PO20 – Line Detail

Purchase Order Entry (PO20.1)

Company: 1 | Buyer: FAL | PO Date: 06/30/2010 | PO Total: 9000.00
 PO: 800100 | LOAN | Revision: Unreleased
 Vendor: 5064 | OREGON PIANOS | Currency: USD
 Purchase From: | Ship To: 1 | Default Location
 Delivery Date: 07/05/2010 | Default | Header | Total | Add Cmt | Position To:

FC	Line	Item Detail	Quantity	UOM	Unit Cost	Dlvr	Ship	
	1	LOAN	1.00	DL	9000.00	07/05/2010	1	More
								More
								More
								More
								More

Description: APPROVED LOAN | Type: S | Account: 350203160 | 7810 | Company: 1 | Mult
 Vendor Item: LOAN | Service Code: | Add Comment
 Amount:

Added PO, added 1 lines

Parameter	Value	Rationale/Notes
PO Number (including PO Code)		System is configured for manually assigned purchase order numbers. Interface from the Loan System will generate numbers based on rules to be further defined during detail design. Current recommendation is to use the 800001 to 899999 range.
Vendor		PO Code field will also be used to further distinguish purchase order records created for Financial Assistance processing from the regular procurement purchase orders (which currently do not use the PO Code field) Vendor number corresponding to the loan borrower or grantee.
Line Detail		For loans, the typical process results in the payments (disbursements) to be made to a different vendor (architect, contractor, etc.) Values similar to the rules for creating the corresponding requisition detail records

PO20 Line Detail (cont.)

Purchase Order Entry (PO20.1)

Company Buyer PD Date PO Total 9000.00
 PO LOAN Revision Unreleased
 Vendor OREGON PIANOS Currency USD
 Purchase From
 Ship To Default Location
 Delivery Date Position To

FC	Line	Item Detail	Quantity	UOM	Unit Cost	Dlvr	Ship
	1	LOAN	1.00	DL	9000.00	07/05/2010	1

Activity Acct Category
 Billing Category
 Asset Template Asset

AC98 - Updated Commitment Balance

After the purchase order record is released, Lawson updates the Commitment balance (with an identifier as an PO commitment).

Commitment Detail Analysis (AC98.1)

Activity Oregon Pianos
 Account Category Loans to Borrowers CY Funded
 Year, Periods - -

FC	Company	Resource	Document or Job Code	Item, Description or Pay Code
	1	5064	8001000000LOAN	LOAN
			Amount	9,000.00 Unit 1.00
			Amount	Unit
			Amount	Unit
			Amount	Unit

2.16.3 Loan Disbursement

Disbursement on loans will be performed in Lawson AP by an invoice matching to the PO corresponding to the loan transaction.

The following illustrate the results from the prototype testing:

Example: \$7,500 was paid to vendor 2448 (Emerick Architects) against loan 800100 (vendor 5064 – Oregon Pianos)

Vendor Invoices (AP92.1)

Navigation: Previous, Inquire, Next, Inquire

Vendor Group: 1 (Portland Dev Commission)
 Vendor: 5064 (OREGON PIANOS)
 Filter: *

SC	Invoice	Inv Date	Due Date	Amount	Curr	Cmt
984-2		07/08/2010	07/08/2010	7500.00	USD	Add

Drill Around® -- Webpage Dialog

Close | Search | Find Next | Reset | Printable View

DRILL EXPLORER

- Invoice URL Attachment
- Invoice Detail
- Invoice Parameters
- Alternate Payment Vendor
- Invoice Origin
- Invoice User Fields
- Match Information
- Match Invoice Totals
- Invoice Note/Report/Check Comments
- Invoice Notes
- Invoice Report Comments
- Invoice Check Comments
- Vendor
- Payment Schedule
- Expense Distributions
- Match Purchase Order Detail
- Purchase Order Detail

Company	PO	Code
1	800100	0 LOAN

Invoice Drill Around Screens:

DRILL EXPLORER

- Invoice URL Attachment
- Invoice Detail
- Invoice Parameters
- Alternate Payment Vendor
- Invoice Origin
- Invoice User Fields
- Match Information
- Match Invoice Totals
- Invoice Note/Report/Check Comments
- Invoice Notes
- Invoice Report Comments
- Invoice Check Comments

Vendor: OREGON PIANOS
 Remit To Location:
 Invoice: 984-2 0 Invoice
 Invoice Amount: 7500.00 USD
 Discount Amount: 0.00
 Net Payable: 7500.00
 Taxable Amount: 0.00
 Tax Amount: 0.00 Tax Code
 Paid Amount: 0.00
 Tax Adjust:
 Invoice Description:
 Status: Released
 Approved: Yes NT0000007F
 Payment Number: SYS UNPAID
 Invoice Date: 07/08/2010 Payment Date:
 Due Date: 07/08/2010
 Voucher: 89781
 Purchase Order: 800100 0 LOAN

Invoice Drill Around Screens:

DRILL EXPLORER

- Invoice URL Attachment
- Invoice Detail
- Invoice Parameters**
- Alternate Payment Vendor
- Invoice Origin
- Invoice User Fields
- Match Information
- Match Invoice Totals
- Invoice Note/Report/Check Comments
- Invoice Notes
- Invoice Report Comments
- Invoice Check Comments
- Vendor
- Payment Schedule
 - 07/08/2010
 - Payment Options

Process Level: 1 Portland Dev Commission
Journal Book:
Cash Code: AP1
Income Code: 1099 1099 Miscellaneous Vendor
Invoice Accrual Code: ACCR
Discount Code: DISCOUNT
Handling Code: MA1
Match Table: PDC Rule Group:
Reason Code:
Diversity Codes:
Number of Recurrences: 0
Recurrence Frequency:
Pay Vendor: 2448 EMERICK ARCHITECTS PC
Remit To Location:
Purchase From Location:

Close | Search | Find Next | Reset | Printable View

DRILL EXPLORER

- Invoice URL Attachment
- Invoice Detail
- Invoice Parameters
- Alternate Payment Vendor
- Invoice Origin
- Invoice User Fields
- Match Information**
- Match Invoice Totals
- Invoice Note/Report/Check Comments
- Invoice Notes
- Invoice Report Comments
- Invoice Check Comments

Purchase Order: 800100 0 LOAN
Ship To Location:
Match Status: Matched in tolerance
Goods Amount: 0.00
Retail Amount: 0.00
Receipt of Inv Date: 07/01/2010
Match Date: 07/01/2010
Match Reference:
Match Table: PDC Rule Group:
Match Invoice Type: Service
Proof of Del Printed: 0

3 Updated Business Terms

The following is an explanation of the business terms referenced in this document

3.1 AC07 Form

Account Assignment form. Used to assign which GL Accounts are allowed for which AC10 Activities. This is the way to restrict which accounts are allowed for which activities.

3.2 AC10 Form / Posting vs. Summary Activity

Form that a Lawson Activity is created. A Lawson activity can be either Posting or Summary. Posting activities are part of the coding block that is used to record/post an entry to an activity. Posting Activities roll up to a Summary Activity in the AC Structure.

3.3 Accounting Unit

Built in GL20 form of Lawson – represents the “cost center” in the General Ledger.

3.4 ACT!

ACT! is a Contact Management / Customer Relationship Management (CRM) software that is being utilized by PDC to track initial contacts, related Outlook emails, and custom fields to track other relevant contact information including information needed to start the origination process of loans and financial assistance.

3.5 Activity

Built in AC10 form of Lawson – represents the “activity” in the Project and Activity Module of Lawson, or the rough equivalent of a “cost center/project” in AC. An activity may either be a posting activity or a summary activity.

3.6 Activity Group form (AC00)

A form that each Activity (AC10) belongs to and serves as a grouping for defaults, reporting, level structures, etc.

3.7 Activity Structure form (AC08)

Form used to create summary accounts for one or more activity groups.

3.8 Appropriated

An amount authorized by a legislative body for a department or to make expenditures and incur liabilities for a specified purpose

3.9 Appropriations budget

The legislatively approved budget that grants expenditure authority to departments and other governmental units in accordance with applicable laws.

3.10 Budget Edits

Lawson has the ability to “edit” a budget. That is, edit/check remaining budget to see if there is enough budget remaining to prevent exceeding AC budget when attempting an entry. Both GL and AC budget edits can be used.

3.11 Budget Side-tracking Spreadsheets (Translators)

Off ledger spreadsheets or databases that track detail further than currently tracked in Lawson. These are in many cases opportunities to use Lawson Activities in more detail now to allow for this to be tracked and stored in Lawson to replace the budget tracker offline tracking sheets and databases.

3.12 BuDS

The current system that holds and maintains the budgets before being interfaced to Lawson GL and AC for storage and use there.

3.13 Coding Block

The fields used by PDC to code an entry. Company, Accounting Unit, Account. The remaining coding block is the AC coding block of Activity and Account Category.

3.14 Dashboard

At-a-glance look at data from a system. A dashboard can be setup in LBI and also already exists in Project Portfolio.

3.15 Data Warehouse

This term at PDC means tables of data collected from other sources. The collection is used for reporting.

3.16 Drill Around

Lawson's tool to drill from summary data down to the detail data.

3.17 Encumbrances

A commitment to purchase goods or services. Lawson typically uses the word commitment to mean the same thing as this but changes the name to Encumbrance when the requisition becomes a PO before becoming an actual amount when paid/expended. Lawson AC Commitments don't make the distinction between PO Encumbrance and Commitment – even PO is a commitment in Lawson AC.

3.18 Enterprise Content Management (ECM)

TRIM Software to store and distribute scanned images and content.

3.19 FB11 Form

Lawson's Budget Edit Group Form. Used to setup GL budget edits in a variety of ways in the GL Structure.

3.20 GAAP

Generally Accepted Accounting Principles.

3.21 GL Calendar

The calendar setup in Lawson's GL for the "Lawson GL Company" used by PDC to establish the month end calendar dates for the PDC fiscal year.

3.22 GLTRANS Table

The Lawson Table that contains debit and credit transactions in Lawson.

3.23 Lawson

Lawson is the Enterprise Resource Planning (ERP) software used by PDC to track Accounting, Projects, Procurement, Payroll, etc. The main benefit from the proper use of an ERP is to be the system of record that ties multiple areas together with drill around and other features to help with the tight integration of data. “Drill Around” is Lawson’s feature to allow drilling from one area such as GL into source data within Lawson such as a PO according to Security settings put in place.

3.24 Lawson AC

Project and Activities Module. Used for Project Accounting. System provides ability to structure summarized multi-level reporting. Allows the system to track detail and keep it in balance in the summary structure. Allows for budget to actual reporting. Allows for customized summarization of detail accounts for various groups within the structure. Prevents the need to use side-tracking spreadsheets (translators) when data is captured at the right level within the system. Allows for resource tracking such as employee resource, AP vendor resource, asset resource, etc. Allows for allocations. Allows for hours and statistical entries. PDC has General Ledger set to capture Fund, Program and Center. As a result Lawson AC does not typically need to capture this level since it’s part of the GL coding block for each transaction.

3.25 Lawson Activity (AC) Allocations

Similar to Cost Allocations (CA) above that allocates for GL Balances Project and Activity Accounting (AC) has its own allocations that can allocate based on Activity Balances outside of the CA Cost Allocations for General Ledger.

3.26 Lawson AM

Asset Management Module. This module stores fixed assets. Assets stored in this module can be depreciated and grouped for reporting. Entries can be sent to the General Ledger to record the resulting asset addition, disposal, transfer, depreciation, etc.

3.27 Lawson AP

Accounts Payable Module. This module records, reports and pays invoices due to payable vendors. This module interacts with the Lawson Matching (MA) module by matching an AP invoice to a Purchase Order and Receipt from PO. This module updates the General Ledger with payable liability detail reports in AP.

3.28 Lawson AR

Accounts Receivable Module. This module tracks customer invoices and the resulting receivables. Built in interfaces exist to record the financial entries to the General Ledger. Reports are built in to include aged receivables, detail customer balance listings, etc. Cash receipts can be interfaced to Lawson Cash Ledger for cash applications. Many automated features exist such as customer ACH, customer invoicing, dunning notices, statements, etc.

3.29 Lawson CA

Lawson has a cost allocations module to allocate General Ledger (GL) balances or calculations thereof. The calculation feature can use statistical values to create entries using formulas and calculations.

3.30 Lawson CB

Cash Ledger Module. This module provides capability to track cash detail entries from AP for payments, AR for receipts, and directly to Cash Ledger for miscellaneous receipts and payments

to bank accounts. Reporting by bank, bank account, currency are features of this module. Bank Reconciliations are the byproduct of a properly planned setup of Lawson Cash Ledger.

3.31 Lawson Commitments

In Lawson commitments are tracked in a commitment table instead of booking debit and credit entries that would appear as a transaction in GLTRANS tables. Commitments are the way that Lawson records that a transaction is committed but not yet posted as an actual expenditure or entry. Commitments can be tracked by Lawson System Code. For example, RQ is the System Code for Lawson Requisitions, so when an RQ10 is entered to create a requisition in Lawson and the entry is released it becomes an RQ commitment in Lawson when Lawson is set to track a commitment. For a purchase order it would be PO System. Once the entry is posted to GL it becomes a GL actual and an AC Commitment. Once the entry is posted to AC the commitment is totally gone and becomes only an actual.

3.32 Lawson FB

Lawson Financial Budgets. This is the module that holds the budget for the General Ledger Module. This module has very basic features to spread budgets, calculate budgets, etc. For more robust budgeting it is typical to create the budget in an external system and load the budget. PDC is using the FB40 budget entry forms to load budgets via Excel Add-in's to track changes.

3.33 Lawson GL

General Ledger Module. Records the transactions as a result of the General Ledger Coding block. General Ledger becomes the reporting center for what is tracked in the General Ledger. The General Ledger's PDC structure includes Fund, Program and Center as part of the GL Section of the Coding block.

3.34 Lawson MA

Matching Module. This module provides matching of an AP invoice to a Purchase Order and Receipt from PO. When an AP invoice is properly matched the AP Commitment is relieved and an AP Actual entry is ready to interface to the General Ledger for posting of an actual entry into GL.

3.35 Lawson PO

Purchase Order Module. This module is for recording and reporting purchase orders. Lawson's commitments can be set to use the information in this module to record PO commitments for Lawson AC and or Lawson GL.

3.36 Lawson RQ

Requisitions Module. This module is for recording and reporting requisitions. Lawson's commitments can be set to use the information in this module to record RQ commitments for Lawson AC and/or Lawson GL.

3.37 LBI

Lawson Business Intelligence. This is the product suite Lawson offers for reporting and dashboards including forecasting and planning solutions.

3.38 Mitas

The current software used by PDC to track loans, financial assistance and loan servicing. Loan servicing is the process of calculating interest and payment amount, processing the collection of

payments and other features of maintaining a loan once the loan is initially funded or the credit line is opened up.

3.39 Pipeline

The pipeline is defined as leads from customer contacts that have yet to become full commitments but are tracked, mostly in ACT! or side spreadsheets at PDC currently to represent possible future legal commitments but still in short of a full commitment. Another term used at PDC for pipeline is pre-commitment as distinguished from a full commitment.

3.40 Project Portfolio

This is the in-house PDC UDD project management software. This tracks projects, tasks, project manager, many attributes of the project, status, project Lawson AC Code, etc. It does not currently have financials linked to it. The budget field, which should be required, is not.

3.41 Statistical Accounts

Accounts setup to track statistical data such as payroll hours, building square footage, and number of clients served, etc. These can be setup as statistical accounts only in Lawson or can be setup to allow statistics to accounts already existing for dollars such as for payroll dollars to allow statistical hours as well.

3.42 Translator

A spreadsheet or database used to track data that was lacking on the system so it's tracked outside of the system(s). This is usually due to lack of daily alignment of data in Lawson that makes this tracker necessary. Various terminology for this is used at PDC. In this document all were changed to the same terminology – “Side-tracking spreadsheet (translator)”.

3.43 URA

Urban Renewal Area

**EXHIBIT G to the PERSONAL SERVICES CONTRACT for
Financial Systems Consolidation and
Lawson Projects and Activities Module Implementation**

FUTURE INTERFACES

**EXHIBIT G to the PERSONAL SERVICES CONTRACT for
 Financial Systems Consolidation and
 Lawson Projects and Activities Module Implementation**

Future Interfaces

Process	Source System	Target System	Type
Loan Commitment	Loan Mgmt	Lawson AP	Vendor
	Lawson AP	Loan Mgmt	Vendor Numbers
	Loan Mgmt	Lawson AC	Activity (Loan)
	Loan Mgmt	Lawson AC	Activity Attributes
	Loan Mgmt	Lawson RQ	Requisitions
Loan Closing	Loan Mgmt	Lawson RQ via Process Flow	Purchase Order
	Loan Mgmt	Lawson PO	Purchase Order
Loan Disbursements	Loan Mgmt	Lawson AP	Invoice
	Lawson AP	Loan Mgmt	Payments
Loan Payments	Loan Mgmt	Lawson CB	Cash Payments
Month End	Loan Mgmt	Lawson GL	Accruals
New Projects	Lawson AC	Project Portfolio	Activity
	Lawson AC	Project Portfolio	Activity Attributes



Revere responsible for design and development



Revere responsible providing target system requirements

PDC

PORTLAND DEVELOPMENT COMMISSION

Resolution Number 6823

Title:

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT WITH THE REVERE GROUP, LIMITED FOR PROFESSIONAL AND TECHNICAL SERVICES FOR THE ENTERPRISE RESOURCE PLANNING IMPLEMENTATION PHASE II PROJECT; IN AN AMOUNT NOT TO EXCEED \$1,595,000

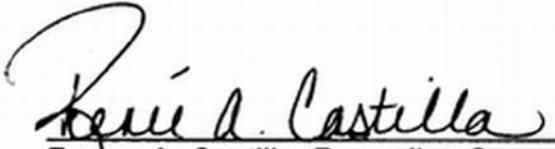
Adopted by the Portland Development Commission on September 24, 2010.

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Scott Andrews	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Vacant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner John Mohlis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Steven Straus	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Charles Wilhoite	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consent Agenda		<input checked="" type="checkbox"/> Regular Agenda		

Certification

The undersigned hereby certifies that:

The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Portland Development Commission and duly recorded in the official minutes of the meeting.


Renee A. Castilla, Recording Secretary

Date: October 26, 2010