



**Enterprise Financial System  
Phase One: Trail Blazing  
January 2004 – June 2005**

*Project Charter*



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## Overview

Five major systems form the core of administrative information systems for most higher education institutions: financial, human resources, grants management, libraries, and student. Four of the five systems have been successfully replaced over the last five years. The flexibility and enhanced software capabilities provided by these new systems allow the University to remain competitive and compliant, and align with the President's Enhanced Service and Productivity Initiative. A strong financial administration infrastructure supports faculty and staff in fulfilling the University's mission.

The financial system (CUFS) is the fifth and last remaining enterprise legacy system. CUFS has survived twelve years, most of them without support from the software vendor. While information and processing needs have increased tremendously over the past decade, the financial system abilities have not. Supplemental systems have been deployed to augment the functionality of CUFS, but have created redundancies of financial and administrative data and processes. While implementing supplemental systems has been a successful short-term strategy, specialized support is required to continue operations.

This project is the culmination of over two years of effort, during which the following major deliverables were achieved and will be leveraged in the subsequent phases:

- The risks associated with continuing to utilize the CUFS application within the mainframe environment were assessed.
- An analysis was performed to identify the potential risks and probable financial and compliance impacts resulting from CUFS failures of varying durations.
- More than 1,500 functional requirements were developed and ranked.
- A Request for Proposal was created and issued that resulted in recommending PeopleSoft Financials to senior management.
- More than 200 participants throughout the institution completed a functionality assessment during the software evaluation process. The result was a greater than 90% functionality approval rating on the delivered ("vanilla") PeopleSoft Financials application.
- Opportunities for early implementation of the Treasury module and potentially the Asset Management module were identified to provide immediate functional improvement.
- A tentative contract with PeopleSoft was negotiated. The final contract is pending President Bruininks and the Board of Regents' approval.

With a new financial system the University can expect a reduction in manual efforts and reliance on redundant systems. The University can also expect improvements in processes, quality, and quantity of information available. The new system will better support staff at all levels of expertise in terms of ease of use, access, and navigation. It will also provide the University more flexibility in gathering data for increasingly complex and demanding internal and external reporting requirements. An overarching goal is to ensure that each financial business process, and by extension the financial system as a whole, supports a strong internal control environment.

The implementation is planned as a two-phase collaborative effort led by the Controller's Office and the Office of Information Technology, partnering with business experts throughout the University. Many opportunities will be available for the community to shape the use of the end product by reviewing business processes, testing functionality, participating on project teams, or contributing through standing committees and focus group sessions.

The first phase, trail blazing, focuses on 18 key deliverables over a period of 18 months. The planned activities for trail blazing will allow the University to use existing enterprise project funding and current employees supplemented with replacement staffing (backfill) to perform the majority of the work. This will minimize cash outflow during the period and promotes a strong investment in building skills and knowledge within the University,



with minimal assistance from external consultants. Project team members from the trail blazing phase will continue on into the implementation phase to ensure a smooth transition, and to capitalize on the knowledge built.

The second phase, full implementation, will implement the functional requirements finalized and documented during the trail blazing phase to deploy the system throughout the University. A comprehensive training program will be developed and executed to prepare financial staff for the change from the current enterprise financial system to the new integrated enterprise system.

## Project Purpose

The financial system replacement will take place in two phases. This project, trail blazing, is the first phase and will be followed by the full implementation phase.

Trail blazing encompasses 18 key deliverables over a period of 18 months. Included in these deliverables are:

- Setup and configuration of the hardware, software, and security.
- Evaluation of selected modules against current capabilities and user requirements.
- Identification of opportunities for process improvement, or need for modifications.
- Early implementation of one or more modules, beginning with Treasury.

This project will focus on developing University staff as internal experts so that full system implementation, ongoing maintenance, and support are more easily and economically accomplished.

## Approach

### *Subproject charters*

Creating a single charter that encompasses everything planned during the next 18 months would be unwieldy. Separate teams will tackle the 18 deliverables. Many deliverables are dependent on the installation of software as well as on completion of other deliverables. For these specifics to be adequately reflected, subproject charters will be written. The charters will include the known dependencies, the subproject team members, and the specific outcomes anticipated.

Subproject charters will be drafted for each deliverable and submitted for review and approval.

### *Analysis and design*

To begin the analysis of the PeopleSoft capabilities, a three-way comparison will be made using:

- existing financial system functionality and business processes,
- as delivered (“vanilla”) PeopleSoft functionality, and
- functional requirements (defined in an earlier effort).

From this analysis a document will be generated that identifies fits and gaps in functionality. Further research will determine if the gaps can be satisfied with acceptable changes in policies or procedures, changes in the requirements, or as a last resort, a request for modification to the new system.

System modifications identified by the project teams will be reviewed and analyzed for business need, cost to develop and maintain, impact on other modules and timeline, and effort to implement. Both the modifications and the business improvements will feed into the final project documentation.

Teams will create a list of those business process improvements that are identified and that can be adopted prior to completion of the full financial system replacement. The respective business process owners will manage the changes identified as potential candidates for early adoption.



### *Project participants*

The ideal project team will be comprised of technical and both central and non-central functional representatives. Project teams will be staffed primarily by University employees. By investing in University staff, the knowledge and skills will remain with the institution after trail blazing and final implementation are complete. Where a specific task calls for a unique knowledge, external consultants may be hired.

Each of the business process owners will contribute one or more key individuals from their unit so that the most current information is available to the team, and to ensure that the unit has the knowledge of the new system to support the new process.

It is important to note that all administrative and financial operations must continue throughout the life of the project. This is only possible if staffing levels remain stable. Additional staff will be hired using existing enterprise funding to backfill for core team members working on the trail blazing phase.

### *Financial system customer involvement*

There will be many opportunities for the customer community to participate in this important endeavor. The following are currently envisioned:

- The establishment of a functional steering committee with broad representation that would meet regularly with the project management and process owners. Their key roles would be to provide institutional perspective and direction on issues brought to the committee, assistance with subprojects, and to champion the effort to their constituent groups.
- Formation of a joint communication committee to provide timely and concise progress updates via multiple and frequent means of communication (e.g., e-mail, presentations, Web).
- University volunteers will be sought for each of the functional teams. Their participation will be determined based on the time that they have available. A minimum percentage for ongoing team involvement will be requested so as to maintain a cohesive team.
- Focus groups for target areas throughout the 18 months.
- Regular updates will be provided to key customer groups.
- Use of input gathered through critical activities, such as the requirements definition and review, when working on the associated module or process.

Every effort will be made to have broad customer involvement while meeting timelines for project deliverables.

### *Communication*

Existing communication channels and groups will be used where possible during this phase. Due to the limited direct impact that this phase will have on individuals other than the team members and their units, it is even more important that the University community be provided regular updates.

The project will secure resources (either internal or external) to assist with this component of the project.



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## Key Business Deliverables

1. *Chart of Accounts (COA)* Evaluate the structure as delivered by PeopleSoft, confirm and document the financial reporting requirements; explore COA options, including multiple COA alternatives <including alternatives for allowing multiple charts of accounts>; determine how the U of M chart will be defined and ensure that it will support full cost accounting reporting; create procedures for maintaining the chart of accounts; and prepare documentation for the next phase.
2. *Redundant systems* Create an inventory that captures the location of redundant systems, the business owner, the technical platform, and its business purpose. Identify needs not met by current systems and compare to PeopleSoft capabilities. Identify opportunities to eliminate redundant systems.
3. *Budgets Module: Joint Analysis and Design*  
Learn and understand a minimum of three modules; general ledger, budgeting, and fixed assets. Validate PeopleSoft functionality against current business processes and the requirements identified in an earlier phase (more than 1,500 functional requirements). Prepare documentation for module setup in the next phase.
4. *Fixed Assets Module: Joint Analysis and Design*  
Learn and understand a minimum of three modules; general ledger, budgeting, and fixed assets. Validate PeopleSoft functionality against current business processes and the requirements identified in an earlier phase (more than 1,500 functional requirements). Prepare documentation for module setup in the next phase.
5. *General Ledger Module: Joint Analysis and Design*  
Learn and understand a minimum of three modules; general ledger, budgeting, and fixed assets. Validate PeopleSoft functionality against current business processes and the requirements identified in an earlier phase (more than 1,500 functional requirements). Prepare documentation for module setup in the next phase.
6. *Business process improvements*  
Document opportunities identified during the joint analysis and design. Specify which may occur in advance of phase two (implementation) and hand them off to the business process owners for prioritization and implementation. Develop mechanisms for tracking resolutions to these opportunities.
7. *Full implementation project planning*  
Prepare the phase two charter, work plan, and budget. Finalize the project structure.
8. *Fast track implementation(s)*  
Evaluate, setup, and implement those modules identified for early implementation in PeopleSoft. Establish associated CUFS Chart of Accounts structure. Integration of fast track implementation modules will take place at time of full implementation.



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## Key Business Deliverables – Continued

### 9. *Contingency and risk mitigation*

Enhance existing contingency plans to include the means for a fast-track implementation, should there be a catastrophic CUFS (current financial system) failure. Plan will be available within 12 months, and will be such that it could be executed within a reasonable time period.

### 10. *Enhanced financial management skills and competencies*

Develop plan for assessing and strengthening financial competency University-wide. Formalize financial competency standards for University staff.

### 11. *Install software and setup hardware*

PeopleSoft Financials (all modules) installed. All needed instances created (e.g., vanilla, testing, development). Desktop setup completed for project teams. Complete security strategy for full rollout.

### 12. *Project team training (Treasury)*

PeopleSoft Financials training delivered to the Project team. Conduct additional in-house training as available and appropriate.

### 13. *End user training*

Train business process owner units and end users on module(s) implemented during trail blazing; currently planned are the treasury modules. Strategy and plan devised and documented for full implementation (education and communication to maximize productivity during transition).

### 14. *Business process change management*

Train business process owner units and end users on module(s) implemented during trail blazing. Strategy and plan devised and documented for full implementation (education and communication to maximize productivity during transition).

### 15. *Communication*

Develop and implement communication plan for trail blazing. Develop communication strategy for full implementation.

### 16. *Interfaces*

Strategy and plan created for any new interfaces. Develop and test a reusable interface process for existing interfaces to PeopleSoft Financials.

### 17. *Conversion*

Convert data needed to complete the fast track implementation. Prioritize, document and map current data to matching fields in PeopleSoft. Create a strategy and document for full implementation conversion.

### 18. *Reporting*

Create an overall financial reporting plan which will include the data warehouse, UM reports, Financial Reports on the web, and the replacement of existing mainframe reports. Reporting requirements will be documented.



There are five distinct activities in most projects. They are: analysis, design, development, testing, and implementation. Analysis and design activities overall goal is to deliver requirements for subsequent phases. The following chart is intended to depict where each deliverable is expected to be at the end of 18 months (phase one).

Deliverables	Analyze	Design	Develop	Test	Implement
Chart of Accounts	Phase 1	Phase 1	Both	Phase 2	Phase 2
Redundant systems	Phase 1	Phase 1	Phase 2	Phase 2	Phase 2
Budget module: Joint Analysis and Design	Phase 1	Phase 1	Phase 2	Phase 2	Phase 2
Fixed assets: Joint analysis & design	Phase 1	Phase 1	Phase 2	Phase 2	Phase 2
General ledger: Joint analysis and design	Phase 1	Phase 1	Phase 2	Phase 2	Phase 2
Business process improvements	Phase 1	Phase 1	As time and resources allow		
Full implementation project planning	Phase 1	Phase 1	Phase 2	Phase 2	Phase 2
Fast track implementation	Phase 1	Phase 1	Phase 1	Phase 1	Phase 1
CUFS contingency & risk mitigation plan	Phase 1	Phase 1	Phase 2	Phase 2	Phase 2
Enhanced financial competency	Phase 1	Phase 1	Phase 2	Phase 2	Phase 2
Installation of software; hardware setup	Phase 1	Phase 1	Phase 1	Phase 1	Phase 1
End user training (modules implemented)	Phase 1	Phase 1	Both Phases		
Change management	Phase 1	Phase 1	Phase 2	Phase 2	Phase 2
Interfaces	Phase 1	Phase 1	Phase 2	Phase 2	Phase 2
Conversion	Phase 1	Phase 1	Both Phases		
Reporting	Phase 1	Phase 1	Phase 2	Phase 2	Phase 2

**Scope**

***In Scope***

- All work associated with the accomplishment of the stated deliverables.
- Setup of workspace, conference room space, and computers for teams.
- Creation and execution of a communication plan for this trail blazing phase.
- Recruitment of participants for the committees and teams.
- Management and reporting of project budget status and deliverables status to senior management.
- Development and maintenance of issues and modification request logs, both for trail blazing and for those items applicable to the full system implementation.
- Documentation of results and recommendations to be used by subsequent teams to avoid rework.
- Identification and communication of potential University policy, procedure, and practice changes to the specific business process owners. Work with the business process owners to establish the means for adopting the changes.

***Out of Scope***

- The full implementation of a new financial system, unless it becomes necessary to execute the contingency plan.
- Changes to existing business processes by the project team, with the exception of the fast track implementations. (Recommendations will be forwarded to the specific business process owners for prioritization and management.)
- Actual changes to or development of departmental or ancillary systems.
- Programming of modifications identified during trail blazing, except as identified for early implementations.



### Assumptions

- The recurring enterprise budget will fund the trail blazing effort.
- Backfill staff will be hired, as needed, to ensure that operations continue.
- Sufficient one time funding beyond recurring enterprise budget will be made available for trail blazing if needed.

### Preliminary Issues and Risks

The following is a preliminary list of potential project risks and the mitigating steps that will be taken to lessen the impact or reduce the likelihood of an occurrence.

<b>Potential project risk</b>	<b>Mitigation steps</b>
Inadequate coordination between and among all enterprise systems (HRMS, Student, Financial, Library, and Grant systems).	<ul style="list-style-type: none"> <li>• Schedule regular meetings with key stakeholders to provide updates and coordinate activities that may cross systems.</li> </ul>
Users of ancillary systems may be considering purchase, upgrade, or enhancement of software/systems to meet their needs	<ul style="list-style-type: none"> <li>• Communicate time line and scope for each of the phases to broad audiences.</li> <li>• Establish a contact point for those fitting the description.</li> <li>• Create a process for comparing needs to existing PS capabilities.</li> <li>• Link with Purchasing Services to tag any RFPS, RFIs, or other purchase requisitions that might fit these parameters, and notify the designated person.</li> </ul>
Insufficient technical and business resources to complete each phase of this project, to including backfill for key staff assigned from key business process owner units.	<ul style="list-style-type: none"> <li>• Monitor staff levels as compared to commitments and needs.</li> <li>• Report to project sponsors at least monthly.</li> <li>• Work with units when issues arise.</li> </ul>
Redundancies or negative impact of additional projects on business and technical resources needed for focus on EFS.	<ul style="list-style-type: none"> <li>• Review potentially competing efforts and prioritize or cancel as appropriate.</li> <li>• Communicate to broader audience that enhancements to existing systems will be very limited.</li> </ul>
Impact on daily operations due to loss of key resource(s) to the project.	<ul style="list-style-type: none"> <li>• Communicate team requirements to participating departments before work begins.</li> <li>• Work with units when issues arise.</li> <li>• Renegotiate arrangement with business process owners as needed.</li> </ul>
Levels of participation and input by non-central units are insufficient.	<ul style="list-style-type: none"> <li>• Identify and communicate specific areas of concern and develop backup plans.</li> <li>• Discuss with project sponsors and steering committees to determine next steps.</li> </ul>
Risk of making (or not making) changes to systems or processes without a full analysis of impact.	<ul style="list-style-type: none"> <li>• Utilize a cost/benefit methodology for analyzing proposed system or business process improvement.</li> <li>• Communicate information through Executive Steering Committee.</li> </ul>
Inadequate funding for completion of stated deliverables.	<ul style="list-style-type: none"> <li>• Monitor project and report to sponsors.</li> <li>• Prioritize deliverables before the project begins.</li> </ul>



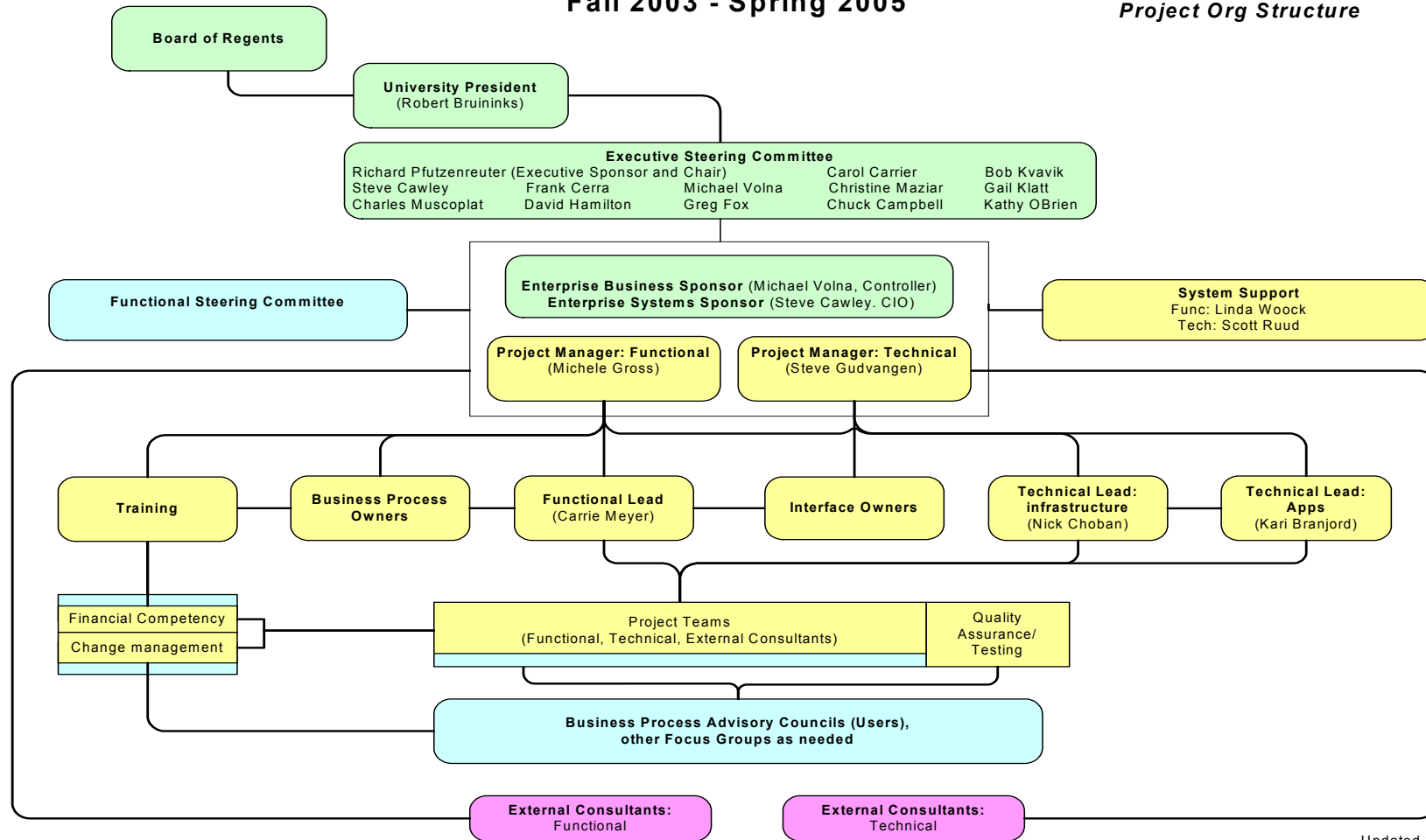
**Approval to Proceed with the Trail Blazing Phase:**

Role	Signature/Date	Name/Title/Department
Project Sponsor	<b>See separate signoff page</b>	Mike Volna Associate Vice President & Controller, Controllers Office
Project Sponsor		Steve Cawley Associate Vice President & CIO, Office of Information Technology
Executive Steering Committee (Chair)		Richard Pfutzenreuter Chief Financial Officer, Associate Vice President & Treasurer, Office of Budget & Finance
Executive Steering Committee		Charles Muscoplat Vice President for Agricultural Policy and Dean of the College of Agricultural, Food, and Env Sciences
Executive Steering Committee		Frank Cerra Senior Vice President Health Sciences
Executive Steering Committee		David Hamilton Interim Vice President Office of the Vice President for Research
Executive Steering Committee		Greg Fox Vice Chancellor UMD-Finance and Operations-Administration
Executive Steering Committee		Christine Maziar Executive Vice President/Provost Office of the Executive Vice President/Provost
Executive Steering Committee		Gail Klatt Associate Vice President, Internal Audit Department of Audits
Executive Steering Committee		Chuck Campbell Chair, University Senate Finance and Planning Committee



**Trail Blazing  
Fall 2003 - Spring 2005**

**Enterprise Financial System  
Project Org Structure**



Updated 2/9/04)

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The overarching objective of these groups is to work together as a team to resolve issues and accomplish deliverables.

Group	Participants	Roles and Responsibilities
<b>Executive Steering Committee</b>	Richard Pfutzenreuter, <i>Executive Sponsor and Chair</i> Chuck Campbell, <i>Physics and Astronomy</i> Carol Carrier, <i>Office of Human Resources</i> Steve Cawley, <i>Office of Information Technology</i> Frank Cerra, <i>Academic Health Center</i> Greg Fox, <i>UMD –Finance and Operations</i> Steven Crouch, <i>Institute of Technology</i> Bob Kvavik, <i>Office of Exec VP and Provost</i> Gail Klatt, <i>Dept of Audits</i> Chris Maziar, <i>Office of the Provost</i> Chuck Muscoplat, <i>College of Ag., Food, and Env.</i> Kathy O'Brien, <i>University Services</i> Michael Volna, <i>Controller's Office</i>	<ul style="list-style-type: none"> <li>• Champion the effort</li> <li>• High level oversight, direction, and support</li> <li>• Ensure project meets goals</li> <li>• Address any significant budget issues</li> <li>• Approve any major scope changes involving additional funding</li> <li>• Provide resources, if needed</li> <li>• Approve project initiation and conclusion</li> <li>• Meet bimonthly throughout effort</li> </ul>
<b>Sponsors</b>	Michael Volna (Enterprise Business Sponsor), <i>Controller's Office</i> Steve Cawley (Enterprise System Sponsor), <i>Office of Information Technology</i>	<ul style="list-style-type: none"> <li>• Ensure University objectives are being met</li> <li>• Partner to oversee project deliverables, schedule, budget, and human resources.</li> <li>• Champion the effort.</li> <li>• Provide high-level updates to executive groups.</li> <li>• Approve or recommend scope changes.</li> <li>• Review and approve at key junctures of the project.</li> <li>• Meet regularly with project managers and system support.</li> </ul>



Group	Participants	Roles and Responsibilities
<b>Project Managers</b>	Michele Gross, <i>Controller's Office (Functional Manager)</i>  Dale Disrud, <i>OIT (Technical Manager)</i>	<p><u>Jointly as Functional and Technical Managers</u></p> <ul style="list-style-type: none"> <li>• Partner to ensure project follows standard project management methodologies to ensure quality results.</li> <li>• Create the charter &amp; work plan; provide progress reports, update work plan, and budget projections</li> <li>• Identify potential scope changes; quantify impact; make recommendations for scope changes</li> <li>• Coordinate business and technical resources so that deliverables &amp; timelines are met.</li> <li>• Communicate at multiple levels within the organization, ensuring a common message. Develop and deliver communications for business audiences (Michele); develop and deliver communications to technical audiences (Steve).</li> </ul> <p><u>Individually as Functional Manager (Michele):</u></p> <ul style="list-style-type: none"> <li>• Responsible for activities and achievement of functional deliverables</li> <li>• Track and oversee functional issue logs and issue resolution</li> <li>• Manage functional project budget and human resources</li> <li>• Manage and coordinate external consultants, working together to resolve issues and assign resources. Business consultant relationships (primary: Michele)</li> </ul> <p><u>Individually as Technical Manager (Dale)</u></p> <ul style="list-style-type: none"> <li>• Responsible for activities and achievement of technical deliverables</li> <li>• Track and oversee technical issue logs and issue resolution</li> <li>• Manage technical project budget and human resources</li> <li>• Manage and coordinate external consultants, working together to resolve issues and assign resources. Technical consultants relationship (primary: Steve)</li> </ul>
<b>Functional Steering Committee</b>	Denise Seck, <i>Accounting Svcs (Chair)</i> Suzanne Bardouche, <i>AHC</i> Sue Bosell, <i>Duluth Business Office</i> Madonna Monette, <i>IT Admin</i> Mary Cain, <i>FSUN Chair</i> Jill Merriam, <i>Law School</i> Beth Nunnally, <i>AHC</i> Jeff Thomas, <i>CBS</i> Lester Trapp, <i>Auxiliary Services</i> Karen Dewanz, <i>CLA</i> Julie Tonneson, <i>Budgets</i>	<ul style="list-style-type: none"> <li>• Champion and support the project</li> <li>• Review subproject charters</li> <li>• Provide resources</li> <li>• Provide feedback on full implementation plan</li> <li>• Provide institutional perspective/direction on issues brought to the committee</li> </ul>



Group	Participants	Roles and Responsibilities
<b>Core Management</b>	Steve Cawley, <i>OIT</i> Mike Volna, <i>Controller's Office</i> Linda Wook, <i>Financial Systems</i> Scott Ruud, <i>OIT</i> Dale Disrud, <i>OIT</i> Michele Gross, <i>Controller's Office</i> Denise Seck, <i>Controller's Office</i> Amie Dardis, <i>OIT</i>	<ul style="list-style-type: none"> <li>• Meet at least monthly or bi-weekly as needed by project management.</li> <li>• Provide guidance and oversight on major, or conflicting, business and technical issues.</li> <li>• Ensure coordination between project and on-going support organizations.</li> </ul>
<b>System Support</b>	Linda Wook, <i>Financial Systems Support</i> Scott Ruud, <i>OIT</i>	<ul style="list-style-type: none"> <li>• Management-level leadership and direction</li> <li>• Communicate and resolve support issues</li> <li>• Provide quality assurance for project process</li> <li>• Integrate components internal and external to the project</li> <li>• Overall system support responsibility and coordination</li> <li>• Provide resources</li> <li>• Ensure compliance with Enterprise systems standards</li> </ul>
<b>Business Process Owners</b>	LaCretia Bell, <i>Disbursement Services</i> Kelly Farmer, <i>Tax</i> Luke Madsen, <i>Inventory Services</i> Stuart Mason, <i>Treasury</i> Sue Paulson, <i>Sponsored Financial Reporting</i> Denise Seck, <i>Accounting Services</i> Julie Tonneson, <i>Office of Budget and Finance</i> Karen Triplett, <i>Purchasing Services</i> Edward Wink, <i>Sponsored Projects Administration</i>	<ul style="list-style-type: none"> <li>• Actively support and endorse project</li> <li>• Ensure quality outcomes</li> <li>• Make business process decisions</li> <li>• Assign dedicated staff members</li> <li>• Actively participate in business process analysis, functionality, and process changes to minimize the need system modifications</li> <li>• Change policy and procedures to support redesigned processes</li> </ul>
<b>Business Process Advisory Councils</b>	Academic and central units – see specific projects	<ul style="list-style-type: none"> <li>• Participate in focus groups or on teams to 'test drive' the modules</li> <li>• Provide feedback on key topics</li> <li>• Review communications to their respective audiences/peers for clarity</li> <li>• Assist in acceptance testing</li> </ul>
<b>Project Teams</b>	Academic and central units – see specific projects	<ul style="list-style-type: none"> <li>• Draft the subproject charters</li> <li>• Complete the specific deliverable(s) of the subprojects</li> <li>• Communicate problems and status to project management regularly</li> <li>• Complete all required documentation</li> <li>• Report project time spent</li> </ul>

