OE RESOURCE REQUEST APPLICATION

University of California, Berkeley

I. SPONSORSHIP

A. Initiative

Initiative	Finance: Cal Budget & Planning		
Initiative Manager	Jon Bain-Chekal		
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B. Project

Project Manager	Catherine Lloyd		
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C. Sponsorship

Sponsor Name	Erin Gore		
Sponsor Signature		Date	
Sponsor Name	Paul Gray		
Sponsor Signature		Date	
OE Program Office Signature		Date	

D. Give the title of the resource

Oracle's Hyperion Planning, Public Sector and Associated Staff

II. PROBLEM STATEMENT/CASE FOR CHANGE

A. Identify and describe what needs the proposed solution is seeking to address.

1. Finance professionals spend too much time generating, manipulating and presenting data rather than analyzing data to support decision-making.
2. Inconsistent recording of financial information and a reporting system that is focused on historical transactions makes comparison of financial scenarios--particularly across units or multiple years--challenging and problematic.
3. We lack a commonly-understood framework that describes our financial performance and that makes transparent both the opportunities and risks to our operations at all levels of the institution.

B. Describe the solution that is being proposed to meet the identified need(s).

The selected software, Oracle Corp's Hyperion Planning (as distinct from the Hyperion reporting tool used in BAIRS) is the leading budget and planning software in the marketplace. Oracle Hyperion Planning is a centralized, Excel and Web-based planning, budgeting, and forecasting solution that integrates financial and operational planning processes and improves business predictability.

It is in use at numerous peer institutions, including our sister campus, UCLA, as well as Harvard, Stanford, Dartmouth, and the University of Pennsylvania. It is currently being implemented at the Universities of Michigan, Missouri, and Florida.

Oracle Hyperion Planning provides an in-depth look at business operations and its related impact on financials, by tightly integrating financial and operational planning models. Hyperion planning will automate and streamline the process of preparing, analyzing, and assessing the annual budget, shifting the effort of finance professionals *from* heavily manual efforts (rekeying data from multiple reports into Excel, processing budget journal entries, etc.) *to* analysis and decision-support.

The project will provide:

- **Web-enabled**, **automated tool** for school, college, division, and control unit financial offices to develop annual budgets from the department level up to the full campus
- **Familiar Excel-like interface** by which department users estimate, data-enter, annotate and submit their current year forecast and next fiscal year budget, as well as record multi-year commitments in future years
- **Position/employee roster** functionality, including automated fringe benefits calculations
- Reporting capabilities for analyzing and understanding the budget, including comparisons of prior, current and future year budgets with closed period actuals, to validate and summarize submissions

C. Describe the alternate approaches you evaluated in the process of developing this proposal and why those alternatives were not selected.

Oracle Hyperion Strategic Finance
Oracle's Hyperion Strategic Finance software is a financial modeling application that lets executives identify and understand the full financial impact of alternative strategies. The software focuses on the central operations and financial statement development activities and cannot be distributed out to departments. We assessed early on the need to standardize and distribute functionality down to the department level. Yale implemented Hyperion Strategic Finance and then Hyperion Planning. In this budget climate and with the currently identified organizational needs, it is clear that Hyperion Planning better meets UC Berkeley's current operational needs.

Kuali Finance: Budget Construction
Currently Indiana and Delta run Budget Construction with Kuali Financials. UC Berkeley is on PeopleSoft Financials and we assessed the interface development with Kuali Budget Construction would not be cost effective. There is a smaller adoption rate of Kuali Budget Construction and the software has not been tested in our natural peer group.

The team also leaned heavily on Gartner Research and the extensive evaluations conducted as part of the UCLA and Harvard vendor selection processes to eliminate solutions provided by vendors like Cognos and Business Objects.

III. IMPACT AND STRATEGIC ALIGNMENT

A. Describe how the proposed solution aligns with the OE goals:

- Reduce administrative costs and enable the campus to direct more resources to teaching and research
- Advance an effective and efficient operating environment
- Instill a culture of continuous improvement that leads to high quality performance and outcomes

The strategic value of implementing Cal Budget & Planning at this time lies in its support of key OE concepts:

- Automates transactional work;
- Shifts existing resources to focus on analysis to inform decision-making;
- Prepares UCB for a new financial resource environment in which we retain our revenue sources on the campus;
- Provides a consistent framework and data for discussions at all levels of the campus on the financial resources available to support our academic and public service mission.

B. Identify any other anticipated benefits in implementing the proposed solution.

- Builds the framework for implementing more advanced functionality, including multi-year sub-models, reports including non-financial measures, capital projects budgeting, and contract/grants reporting and metrics.
- Tracking for multi-year commitments, ability to efficiently assess the impact of various operating or forecast budget scenarios on the bottom-line.
- Online training and ease-of-use creates opportunities for more substantive engagement with planning throughout the year.
- Reduced major unit finance office effort to track positions and estimate/track salary savings.
- Real-time data entry calculations and validations at the source reduce time and effort associated with rework.
- Shorter timeline for submission of unit budgets to the Center, longer time for substantive discussion between units and campus leadership.
- Potential to eliminate the Position Resource Tracking module in BIBS, a costly customization to the Berkeley Financial System (BFS)

C. Identify the risks of not implementing the solution.

If the current situation continues (identified in II.A), we risk eroding our competitive edge and the trust of our stakeholders:

- We will not be prepared for the changes in the financial structure of higher education that is occurring nationwide, and immediately within the University of California system as a result of continued reductions in state revenue streams
- We will continue to squander our financial professionals by relegating them to transactional work or making decisions based on inadequate or incomplete financial data.
- We will continue to miss opportunities to better utilize our limited financial and human resources toward strategic priorities, and to risk not identifying financial risks early enough to address them.

D. Describe the constituency that is intended to benefit from the proposed solution (e.g. students, faculty, staff, 1-many units)

The primary beneficiaries of this solution are the financial professionals throughout the university—both those located in central administrative units as well as those in academic units. Campus leaders will benefit due to the better forecasting and tracking enabled by the new system. Individual faculty may benefit more directly at a later time, when enhancements to the system are made to accommodate contract and grant reporting and metrics.

E. Describe the extent to which this proposed solution is a collaborative effort either within campus or with external partners.

While the governance structure of the project (described in Section V.C. below) includes representatives at all levels of the campus, the way in which these individuals and units interact will be highly collaborative (both during and after the project).

- All college, school, division, and control units will be expected to participate in monthly status meetings and general design discussions, select business process analysis sessions, and special hands-on "lab" sessions;
- Good-to-best practices will be identified by participants, including a continuous assessment of change management challenges.
- Care will be taken to align external expertise with the appropriate internal staff who will "own" the system.

F. If applicable, describe how the proposed solution may enable additional projects to be considered.

After initial implementation, the Hyperion system will build the framework for implementing more advanced functionality including multi-year or complex financial sub-models, reports including non-financial measures (student head count, courses, etc.), capital projects budgeting, and contract & grants reporting/metrics.

G. What is the impact of the proposed solution on the existing systems and processes? Does it eliminate the need for existing systems and processes?

In order to optimize both the use of the tool and the underlying business processes, some standardization of business processes across the campus, particularly in the use of the chart of accounts and coding financial transactions in the GL, will be required. For example, the project will seek to rationalize the number of values in a segment by eliminating unnecessary redundancy in the values within and across segments, as well as introduce roll-up structures within the segments to allow for more strategic planning and improved management reporting.

The tool is meant to complement existing enterprise systems like BFS and BAIRS. Summarized actual data gets extracted from BFS where transactions happen, and budgets for future years can be extracted from Planning and loaded back to BFS to feed BAIRS reports. While some of the report output from the tool will be similar to budget-to-actuals summary reports in BAIRS, there are no plans to alter or eliminate any of the existing BAIRS reports as a result of the implementation.

Depending on the final project scoping we are expecting that we will be able to retire the custom BIBS/PRT modules in PeopleSoft, the exact determination of this is reliant on the pending assessment of Public Sector and plans for functionality changes (possible reimplementation of HCM).

H. What is the impact of the proposed solution on the workload?

There are three constituencies primarily affected by the project over the 2.75 year timeline:

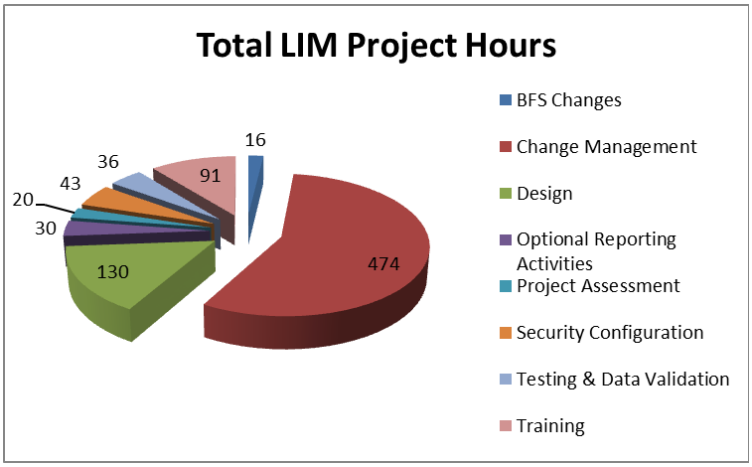
- The VC for Admin & Finance whose resources in Budget & Resource Planning (incl Controller) will sponsor and lead the project
- The Local Implementation Managers from each of the schools, colleges, divisions, and control units who will collaborate on the design, testing, and local implementation of the tool
- The local department planners, who will integrate the tool into their budget and reporting processes

Profile/Impact in hours	Current Workload	1-time workload requirement	Ongoing workload requirement
Planners (unit managers)	Over 300 plus spend countless hours pulling data and maintaining shadow systems so they can develop	Will need to integrate the tool into their budget and planning process. This is expected to entail 5 to 20	A net reduction/elimination of the need to pull actuals from BAIRS and BFS, maintain shadow systems in

	budgets and forecast sources and uses, manage graduate student funding, account for and maximize salary savings. Over 40% of these individuals spend more than 25% of their time on these efforts.	hours of training, forums, and review of learning materials.	excel or other applications. Instead planner work will shift to variance analysis, forecasting and planning work.
Local Implementation managers	Overlaps with the above population, but has a unique project role.	The design & implementation effort will fall heaviest on the Local Implementation Managers, whose high-level effort is outlined below, figure 1 (see Appendix I for monthly detail).	May form the basis of an ongoing community of practice that meets regularly to maximize use of the system, upgrade skills, advise on adjustments etc.
Budget & Resource Planning	A. 2.0 FTE making budget transfers B. Campus consolidation of the budget can take upwards of 3 to 4 months C. Adhoc analysis requests can easily take weeks to implement and are often not easily scalable.	Significant time devoted to this project depending on position. Requirements range from 10% to 100% of time. Temporary staffing is required to meet project rollout demands (see budget).	A. Budget transfer work will go away and FTE will transition into functional analysis work to support and maintain the new system 3.0 B. Workflow in the system eliminates error, prompts and reports on budget completion allowing the budget to be consolidated quickly (within a 3 to 4 weeks) C. Adhoc inquiries, will now be much simpler to perform, scale and compare. It is expected the amount of work in this area will increase in volume as the barrier to implementation is significantly reduced.
Faculty	Negligible	Negligible	None required
Students	NA	NA	NA

Figure #1

LIM Project Activities	Project Hours
BFS Changes	16
Change Management	474
Design	130
Optional Reporting Activities	30
Project Assessment	20
Security Configuration	43
Testing & Data Validation	36
Training	91
Grand Total	**840**



IV. WORK PLAN AND PROPOSED SOLUTION DESIGN

A. Provide a statement of:

- Deliverables — results the solution must deliver to achieve the stated objectives.
- Constraints — factors that may limit the options for providing the solution (*e.g., an inflexible deadline*).

November 2010 – April 2011

1. Assign and deploy resources from the units and the center
2. Core Team and LIM Steering Group receive Hyperion training
3. Analysis of requirements & data constraints. Design core interfaces such as GL actuals & budgets, PIN, etc.
4. Core design (with LIMs) of system foundation (dimensionality, data sourcing/transformation, basic templates, calculations & reports)and functions to be used as a "demo" instance
5. Configuration of Proof-of-Concept system with prototype templates, tasklists, business rules and reports for summary budgeting only (no employee/position detail model)
6. Proof-of-Concept demonstration, review/feedback, refinement, delivery of hands-on sessions for LIMs
7. Assess performance on Phase 0 deliverables and revise plan for Phase 1 & 2 as necessary

April – August 2011

8. Data loads (historic budget & actuals at line item detail) build, testing & validation
9. Reporting-only release (SmartView for ad hoc) with Sources & Uses Financial Studio Report to LIMs and central BRP
10. Sign-off on final design

August 2011 – April 2012

11. Production build, configuration, testing, migration of data loads, webforms, calculations, tasklists & reports for summary budgeting only (no employee/position detail model)
12. Data collection from LIMs (user access, non-sourced data loads, lists of training attendees, etc.)
13. Development, review, and sign-off on classroom training content, on-line simulations, work instructions, etc.
14. December 2011 Go-Live
15. User training & on-boarding
16. Summary budget preparation and submission (FY12-13 Budget Call) in CBPS
17. User focus groups to give feedback on solution and recommend improvements to the process, solution, training content/approach, or support infrastructure
18. Enhancements to data loads, webforms, calculations, tasklists & reports coming out of initial budget cycle

April – June 2013

19. Core Team and LIM Steering Group receive Hyperion training in Hyperion Public Sector Human Capital Planning module
20. Analysis of requirements & data constraints. Design employee interfaces, etc.
21. Core design (with LIMs) of system foundation (dimensionality, data sourcing/transformation, basic templates, calculations & reports)and functions for employee/position comp budgeting
22. Configuration of Proof-of-Concept system with prototype templates, tasklists, business rules and reports for summary budgeting only (no employee/position detail model)
23. Proof-of-Concept demonstration, review/feedback, refinement, delivery of hands-on sessions for LIMs

July 2012 – April 2013

24. Production build, configuration, testing, migration of data loads, webforms, calculations, tasklists & reports for summary budgeting only (no employee/position detail model)
25. Data collection from LIMs (user access, non-sourced data loads, lists of training attendees, etc.)
26. Development, review, and sign-off on classroom training content, on-line simulations, work instructions, etc.
27. December 2012 Go-Live
28. User training & on-boarding

May 2013 – June 2013

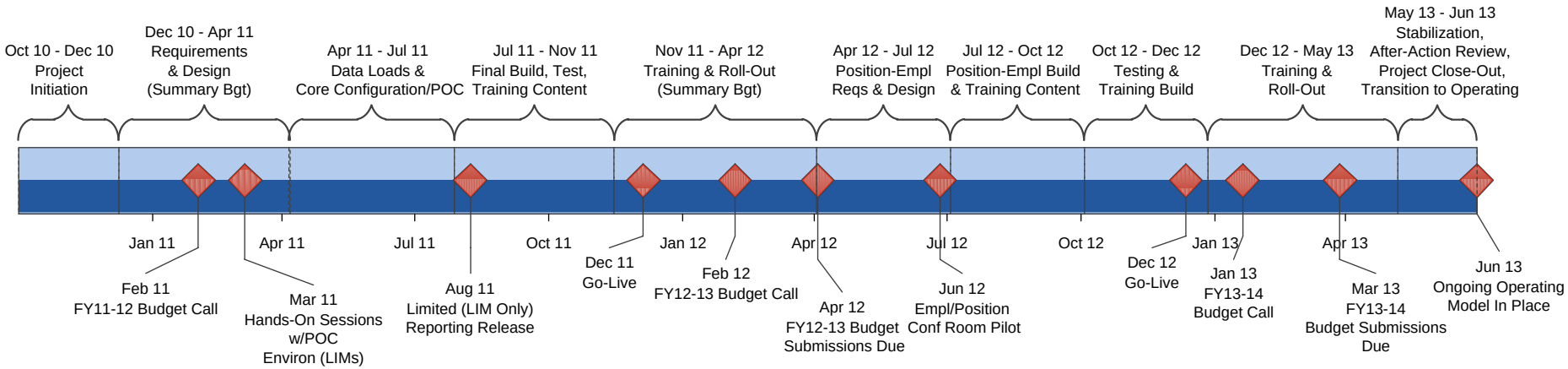
29. Finalization and documentation of on-going operational support model for the tool, including prioritization model for on-going enhancements and initiatives
30. Planning and prioritization for future Planning initiatives
31. Project-wide after-action review to capture lessons learned and "best practices" for future IT projects at UCB

A key constraint for the project is the annual budget cycle, which typically begins in January and extends through April/May, as well as the year-end closing activities in July/August. Any implemented functionality must be released in time to be used in the annual budget cycle. The project schedule is timed to meet this cycle and to avoid heavy workload draws against local finance teams during the year-end close activities.

Because of its tie to the annual budget cycle, delays in the project start date as well as key milestone dates risk delivery delays of up to a year.

B. Provide a work plan for the proposed solution with high-level steps to complete the solution, including timeline. (Try to limit your plan to no more than seven steps.)

	MILESTONE	TIMELINE
1.	Project Requirements & Design/Proof-of-Concept	December 2010 - April 2011
2.	Build, Test, Training Content for Reporting-Only GO LIVE	April – August 2011
3.	Final Build, Test, Training Content for Summary Budgeting	July – November 2011
4.	GO LIVE, Training, Roll-Out & Stabilization for Summary Budgeting	November 2011 – April 2012
5.	Position/Employee Requirements & Design	April – July 2012
6.	Final Build, Test, Training Content for Employee/Position Budgeting	July – September 2012
7.	GO LIVE, Training, Roll-Out & Stabilization for Summary Budgeting	October 2012 – March 2013
8.	Stabilization, After-Action Review, Project Close-Out, Set Up Ongoing Operating Model (in place 6/30/2013	March - June 2013



C. What are the data requirements for the proposed solution?

The tool will require data feeds from both the campus enterprise data warehouse (EDW) for both chart of accounts and costing string budget and actuals balances for historical years FY08, 09, 10, and 11. Once the tool is live ongoing actuals balances will be imported monthly from the EDW starting with the FY11-12 fiscal year. Other data needs will be feeds of employee and position data from the PeopleSoft HCM system and/or the BIBS system. The tool will also have data needs related to the CalNet authentication and the lists of authorized users for access to the tool's functions and data. No high-risk confidential data (SSNs, credit card, etc.) will be stored.

D. What are the technical requirements for the proposed solution?

The system will require facilities hosting for 18 servers across 3 instances (Development, QA, and Production) as well as windows system admin and DBA support for the 3 instances, as well as Storage Area Network and Back-up & Media retention. All hardware rental and support costs are outlined in Appendix 1 – Hardware Rental and Estimated Service Costs. Purchase software includes Hyperion Planning & Essbase ASO, UPK, Hyperion Public Sector module, Financial Data Quality Management, and Informatica licenses and support.

E. What are the greatest risks for the proposed solution and the plan to reduce or eliminate the risks?

ID	Topic	Risk	Risk Mitigation Plan / Status	Project Budget Risk Range ($K)		Probability of Risk Occurring	Factored Risk ($K) (Budget Risk * Probability)		Overall Impact to Project if Risk Occurs	Risk Rating
				Low	High		Low	High	1-5 (1 low)	Prob * Impact
Functional Challenges										
1.1	Functional	Application performance does not meet expectations.	▪ Using consulting and internal product experts, scale required hardware to address 4 areas of concern: A. System load performance - Medium risk B. Planning performance (forms, rules, etc.) - High risk C. Reporting (Essbase) ASO performance - Low risk D. Data load performance - Extremely low risk ▪ The project plan includes full testing workstreams for all major phases, including formal performance testing of best, likely, and worst case user loads, the highest area of risk. ▪ Performance benchmarks will be captured and analyzed after each major phase, and any issues tracked and addressed prior to production roll-out ▪ "Best practice" product performance considerations will be applied in all aspects of design.	$10	$50	25%	$3	$13	3	0.75
1.2	Functional	Functional staff don't acquire the necessary product skills to perform the build and support activities assumed by the budgeted staffing levels.	Ensure training conducted in early stages of team development to identify any areas of concern. Establish clear roles and responsibilities; track and monitor performance of assigned tasks and estimated vs actuals hours effort to identify gaps. Reassess scope and resources within budget to address.	$100	$200	10%	$10	$20	2	0.2

ID	Topic	Risk	Risk Mitigation Plan / Status	Project Budget Risk Range ($K)		Probability of Risk Occurring	Factored Risk ($K) (Budget Risk * Probability)		Overall Impact to Project if Risk Occurs	Risk Rating
1.3	Reporting	Customer demands for "business-critical" additional reports exceed budgeted report development staffing.	Analyze baseline reports created during Phase 1 with the LIMs; monitor the ability of departments and core team to manage the requirements gathered from departments to recognize potential challenges early. Develop a formal prioritization methodology & use project governance to manage scope.	$50	$75	20%	$10	$15	2	0.4
1.4	Systems Integrations	Ability to source the HCP data (including position…to be implemented in concert w/Public Sector) is delayed because of implementation issues with HCM	If position tracking cannot be implemented in HCM during the project lifecycle, three potential options exist: - postpone employee budgeting functionality until after HCM enhancements go-live - import extracts from BIBS for the permanent budget & use off-line manual process in Excel - do manual Excel off-line process & synchronize via Financial Data Management for both perm & temp Need to collaborate very actively in project planning with the HCM team, and perform a full change management and impact assessment before committing to the scope.	$200	$300	80%	$160	$240	3	2.4
1.5	Functional	Indecision, disagreement, and delayed decision-making from stakeholders pushes back milestones	Bi-weekly project status reports to business owner and OE FIT/sponsors will highlight areas of concern, as will project escalations of key decisions to higher level governance where a lower level cannot reach consensus.	$100	$200	30%	$30	$60	4	1.2

ID	Topic	Risk	Risk Mitigation Plan / Status	Project Budget Risk Range ($K)		Probability of Risk Occurring	Factored Risk ($K) (Budget Risk * Probability)		Overall Impact to Project if Risk Occurs	Risk Rating
Project Management Challenges										
2.1	Resources	Conflict with other enterprise initiatives creates overallocation with assigned core project team staff and impacts the project timeline.	The project plan will track detailed level of effort estimates by project resource by date range. IT&S, PMO, and project leads will meet regularly to monitor actual staffing levels against plan and escalate any issues and associated costs arising from competing projects to OE FIT sponsors.	$100	$200	70%	$70	$140	5	3.5
2.2	Scope	Customer demands for "business-critical" additional data entry forms, reports, business rules exceed budgeted project staffing.	Analyze baseline functionality created during Phase 1 with the LIMs; monitor the ability of departments and core team to manage the requirements gathered from departments to recognize potential challenges early. Develop a formal prioritization methodology & use project governance to manage scope. Scope change requests will be evaluated on a case-by-case basis by the PMO and, if necessary, the LIM Steering Committee or OE Finance Initiative Team.	$100	$500	40%	$40	$200		0.00
2.3	Change Mgmt	Departments react unfavorably to business process reengineering and standardization recommendations incorporated into the delivered solution, resulting in "negative press" that results in lack of user adoption and forces redesign of delivered system components.	Collaborative LIM engagement model, supported by solution demonstrations and hands-on user acceptance testing, combined with structured user evaluation mechanisms prior to formal structured sign-offs. Dedicated, full-time Change Management Lead and 2 designated Unit Portfolio Managers will assess local business process impact, document issues, and either navigate a change to the baseline design or document a workaround.	$250	$500	25%	$63	$125	5	1.25
2.4	Resources	Delays in staff acquisition or staff turnover creates delays or extra effort to re-deploy existing resources onto ramping-up to new staff	To the extent feasible, we seek to minimize turnover, but we will need to be able to respond quickly if needed. We will minimize the impact by ensuring that accurate records are in place and that the plan does not rely too heavily on any one person. In extreme cases, external	$500	$1,000	50%	$250	$500	5	2.5

ID	Topic	Risk	Risk Mitigation Plan / Status	Project Budget Risk Range ($K)		Probability of Risk Occurring	Factored Risk ($K) (Budget Risk * Probability)		Overall Impact to Project if Risk Occurs	Risk Rating
			consulting support may be required (reflected in budget risk range). Matched pair (UCB/Consultant) structure minimizes interruption by ensuring continuity.							
2.5	Training	Actual costs for training resources (i.e. training rooms, a working training environment) exceed budget estimates	Training estimates include the development of UPK content that can be used to bridge the classroom training gap should number of trainees exceed available training rooms/instructors, and build available content for LIMs to provide spot training in the event a user cannot make a project delivered classroom training during the main training push around go-live.	$50	$100	10%	$5	$10	2	0.2
2.6	Project Management	The deployment requires an additional budget cycle to complete due to slippage in key project dates.	Continually monitor project progress against plan; re-assess timeline at the end of each project phase; work with LIMs to establish local work plans.	$600	$1,000	80%	$480	$800	5	4.0
Department Participation / Engagement										
3.1	Resources	Individual schools, colleges, divisions, and control units do not have the capacity to support the required time commitment, requiring additional short-term consulting support to bridge the gap and/or put pressure on the core project team resources. NOTE: Cost borne by the departments; estimated cost on a PER department basis.	Careful monitoring of department project plans to identify potential resource constraints and mitigation strategies for each. Work to reduce scope and maintain timeline rather than delay launch. LIMs are responsible for local staff and the agreed-upon local project plan. If conflicts result in under-allocation to the project, the LIMs should notify the PMO and move toward a mitigation strategy (e.g., reduce scope, # of sub-departments). Governance structure includes department Admin/Financial Deans and/or Budget Directors. Project leadership will seek formal agreements with departments on the project tasks and time commitment expected. Monthly status dashboards will include department "grade reports" to hold them accountable.	$50	$100	70%	$35	$70	2	1.4

ID	Topic	Risk	Risk Mitigation Plan / Status	Project Budget Risk Range ($K)		Probability of Risk Occurring	Factored Risk ($K) (Budget Risk * Probability)		Overall Impact to Project if Risk Occurs	Risk Rating
3.2	Reporting	Departments are not able to meet their reporting needs with the reports developed as part of the implementation put pressure on project team to support local custom development. NOTE: Cost borne by the departments; estimated cost on a PER department basis.	Departments with this desire will be first encourages to develop their reports using the SmartView Excel ad-hoc querying option, for which training content has been budgeted. If they lack the required competencies to do this, the project team will provide guidance on campus "powerusers" that might be able to assist.	$0	$25	20%	$0	$5	1	0.2
Vendor-Related Risks										
4.1	Upgrades	A major Oracle product upgrade / release must be installed mid-stream to address functionality gaps, security issues, etc., requiring additional resources for applying build, regression testing, etc.	- Discuss product release calendar with Oracle. Determine version and latest patch set for go-live at the start of development. Assess impact to existing design through monitoring published Oracle product roadmaps. - Review current release notes and quarterly security patches, build time in for regression testing at known patch release dates.	$50	$100	20%	$10	$20	2	0.4
4.2	Desktop Compatibility Matrix	Hyperion Planning is not certified with Apple hardware products, certain MS Office versions, or all of the desktop browsers that are used by UCB staff. There is therefore a risk that a number of users will not be able to use Planning or the SmartView client without requiring the intervention of desktop support personnel or additional software installations on their desktop (PC emulator software for MACs, etc.)	The project team will publish a support matrix for the product and associated desktop tools, and will request that the LIMs supply the names and contact information for desktop support at their unit to distribute details about the necessary desktop configurations that will need to be implemented	$0	$0	40%	$0	$0	3	1.2
Miscellaneous										

ID	Topic	Risk	Risk Mitigation Plan / Status	Project Budget Risk Range ($K)		Probability of Risk Occurring	Factored Risk ($K) (Budget Risk * Probability)		Overall Impact to Project if Risk Occurs	Risk Rating
5.1	Resources	Volume of support calls following launch exceeds team and department capacity	- Analyze solution usability through lifecycle testing - Benchmark with other schools to assess impact. - Assess the ability of department power users to triage Tier 1 issues - Supplemental core team personnel required to support completion of annual budget in Spring 2012.	$50	$100	30%	$15	$30	2	0.6
			Total Risk Rating							**20.2**
			Total Risk (Unfactored)	**$2,210**	**$4,450**					
			Total Risk (Factored)	**$1,180**	**$2,248**					

F. How does the proposed work plan allow for evaluation and course correction to ensure the outcomes meet the campus needs?

Formal Assessments

- Baseline assessment, by audience (unit finance offices, local users, central budget office) on current budget process during project initiation
- Formal report after each major Phase, including:
  - Performance to budget & re-assessment of future phase budgets
  - Projected Operational Impact
  - Analysis of unit satisfaction with process, training, and solution
  - Compare revamped business process using CBPS to the baseline

On-Going

- Participant assessments after each design and training session
  - Monitor the effectiveness of project team, constituent groups (financial deans, ad deans, etc.), and materials
  - Identify potential dissatisfaction with the solution
  - Consider process improvements midstream and re-evaluate

Post-Rollout

- Reports on number of support calls
- Survey user satisfaction with the Hyperion solution

V. CHANGE MANAGEMENT

A. What is the change management plan to successfully implement the outcomes of the proposed solution?

Because the change management component of the this project will be high, the project is budgeted for a fulltime Change Management lead, a trainer, and two Unit Portfolio managers who will be responsible collectively for ensuring that:

- LIM pre-reads for design sessions are delivered in advance to facilitate internal unit discussions prior to formal project feedback
- Communications are clear, timely, and focused to audience (with major communications reviewed by LIM Steering prior to distribution)
- As-is and to-be budgeting business process are documented, compared, reviewed with the LIMs, and signed off on before build
- Training strategy and execution represents the units' needs (through collaborative requirements sessions with the Local Implementation Managers during the design and build phases), and…
- ….contains the right mix of classroom training, on-line simulations, and other documentation to fully support the transition

B. What incentives and/or disincentives are proposed to influence behavioral changes necessary for the successful outcome of the proposed solution?

Ease of use—Automated spreads that push annual budgets across the months for YTD budget to actuals reporting. Behind-the-scenes business rules that automate complex calculations like benefits based on previous line item entries.
Low bar to user adoption--excel-based data entry forms that have the same native functions (format, formulas, copy/paste, etc.) and easily incorporate with existing templates and financial models, but update the central database upon save.
Early and active involvement of the LIMs—The early and active involvement of approximately 40 LIMs in the system requirement and configuration planning will encourage adoption later. If they built it they are more likely to use it.

System workflow—utilizing templates, workflow and annotation features allows the budget office to improve the exchange between finance and local departments. There is no other way to submit a budget except via the system.

C. Who has been identified as the change leaders and implementers to carry out the changes necessary for the successful outcome of the proposed solution?

While the exact individuals in many cases have not yet been identified, below is a proposed Governance Structure for the project:

SPONSORS (represent the interests of the Council of Deans and VCs): Paul Gray, Erin Gore, Jon Bain-Chekal, Shel Waggener

OE FINANCIAL MANAGEMENT INITIAITVE COMMITTEE (represent broad cross-section of the University, adjudicating significant conflicts and responsible for championing the project within their organizations): the Design-phase Financial Management Initiative team.

CBPS PROJECT TEAM LEADS (responsible for project plan tasks and related decision making): Cathy Lloyd (Project Manager), Change Management Lead (TBD), Functional Lead (TBD), Mike Kember (Consultant Lead), Peter Cava (UCB Technical Lead), Teresa Costantinidis.

LOCAL IMPLEMENTATION MANAGER (LIM) STEERING COMMITTEE (primary decision-making body for components of the baseline functional design decisions): Kevin Argys (Haas), Anne Benker (VC-Res), Thomas Cunningham (VCA&F), Laurent Heller (Law), Michelle Kresch (CIO), Stephanie Metz (OE), Bruce Miller(VC Stu Affairs), Judy Okawa (L&S), Mary Stapleton (UHS), Marcia Steinfeld (Engin), Lisa Vanderfin (Genl Acctg), Elise Woods (Library)

LOCAL IMPLEMENTATION MANAGERS (serve as each college, school, division, or control unit's primary connection to the implementation, providing communication, business and process expertise, and management of their unit's implementation plan): Jeri Foushee (L&S), Helen Workman(L&S), Tessie Aczon(L&S), Jean Delaney(L&S), Michelle Robinson (E&I), Gail Bergunde (Info), Rob Gunnison (Journalism), Elisabeth Remick (Law), Kathy Siacotos (Opt), Kelvin Quan (SPH), Merle Hancock (Public Policy), Barbara Broque (Soc Welfare), Suzanne Pierce (Chem), Jan Miller (Environ Design), Lisa Kala (GSE), Babs Lane (Natural Res), Suzanne Pierce (Chem), James Wheeler Univ Rel), Levina Subrata (Facilities), Terrence Phuong (CIO), Ted Huang (UNEX), Calvin Eng (Cal Perf), Ellen Chang (Summer Sessions), Karen Hoag, Ty Johnson

VI. FUNDING MODEL AND BUDGET

A. Could the proposed solution move forward with partial funding? If yes, describe the revised scope, including the associated savings impact.

Funding Options:
1) Separate OE Loan - similar to the Sciquest Project - to be repaid from central resources - not from OE savings

2) This and HR High performance culture projects could be equity projects

3) OE could fund the first two years - and for year 3 (FY 12-13) the ongoing costs could be requested to fold into the existing operating model for the budget office/VC Admin Finance. I will say that this would not be easy - but directionally I like the approach of at some time interval the operating model needs to come into the more general operations.

4) There was a discussion that this should have historically been paid for from central or EVCP resources. We could try and target the two unit resources to be paid for from EVCP - Given the bulk of

EVCP money each year is funded from the Central Resource base - I would rather there be fewer steps - and keep EVCP resources targeted to true academic initiatives.

5) We could in the near term - just fund the current year. FY 10-11 we could use the remaining CTC allocation for this year - and make up the delta with a central allocation. That would allow the program office to prioritize FY 11-12 with the larger process. Or this year with that approach - and the second year out of the loan.

6) Fund 100% with the OE loan - and after all the proposals are in - allocate the equity across.

B. What is the plan for sustainable funding to support ongoing operations of the proposed solution?

The three planned support personnel (Functional Lead, functional analyst, and reporting analyst) will be additions to the Budget & Resource Planning staff; however, 2 will be repurposed from existing positions.

C. Please download and fill out the OE Resource Request Budget Template and follow the instructions to complete the budget and line descriptions. Include both completed sheets with the Resource Request.

VII. ASSESSMENT PLAN

Please use the tables below to detail your metrics.

A. Financial savings

Current annual operational expenses	
New (or expected) annual operational expense	
Net operational savings	
Describe what your projected savings are based on, e.g., reduction in X staff @ $, no need for X software/hardware @ $	
Date when savings will be realized, if one-time, and/or dates with amounts over time if savings are on-going	

B. Reduced transaction processing time or increased transaction processing capacity

Current annual number of transactions processed	
Current average processing time per transaction	
Number of members of the campus community that currently use the service	**Please see Appendix II for discussion of efficiency savings**
Annual number of transactions processed after the project is completed	
Average transaction processing time per transaction after the project is completed	
Number of members of the campus community that will use or provide the service after project completion	

C. Improved quality of service to members of the campus community

What campus community satisfaction issues/concerns/needs the project is designed to address	
How this information will be gathered, e.g., through surveys, user groups, explicit management goals	**Please see Appendix II for discussion of efficiency savings**
How the campus will measure whether the quality of the service has improved	

D. Other metrics

Use the box below to describe any other metrics that are pertinent to the success of your project.

Based on an interview with Jay Herlihy, the Financial Dean of the Harvard Graduate School of Education, the following staffing reductions were realized after the project completed and the tool stabilized:

- Elimination of a Dean's Office FTE and student worker; realized $80K in savings

VIII. APPENDIX I

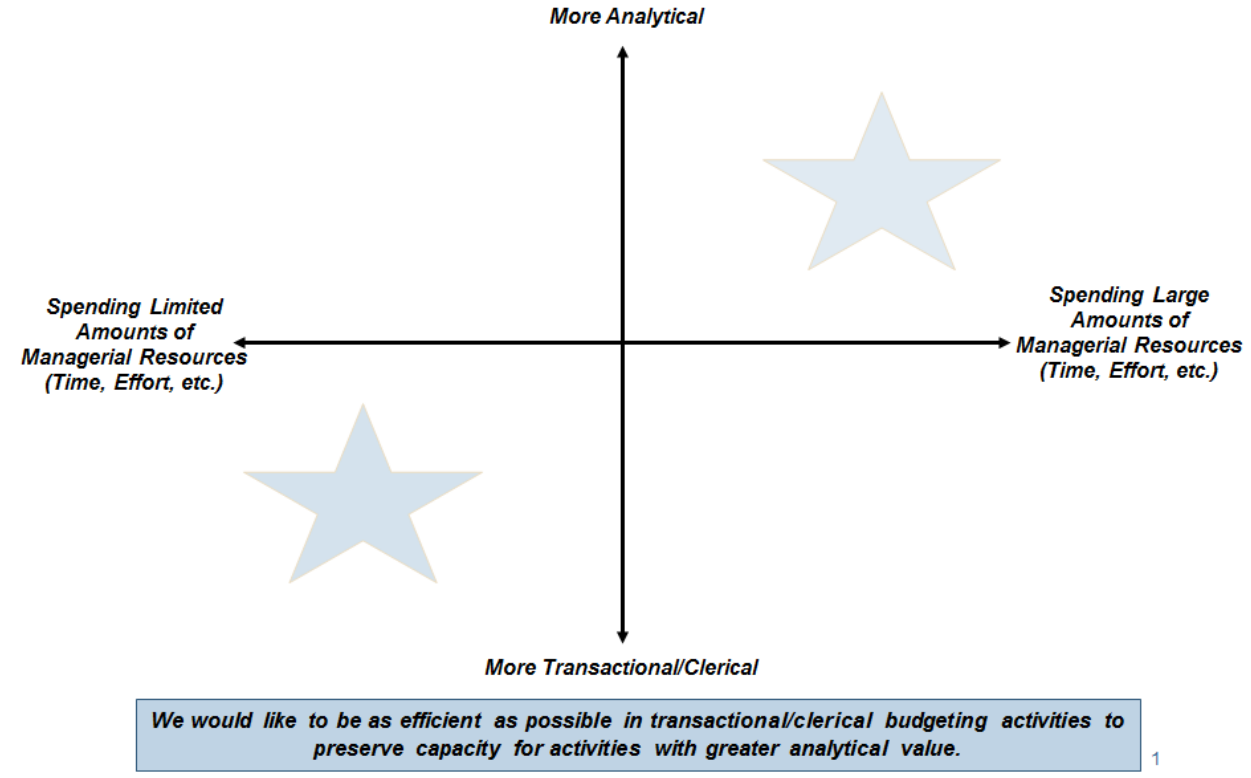
Year	Month	Planned LIM Activities for the Month	Total Hours
2011	January	• Design Review Meetings (5 hrs) • Homework & Prep (4 hrs) • Internal Outreach (~4 hrs)	13
	February	• Design Review Meetings (10 hrs) • Homework & Prep (8 hrs) • Internal Outreach (~4 hrs)	22
	March	• Design Review Meetings (10 hrs) • Homework & Prep (9 hrs) • Conf Rm Pilot (CRP) Demo (3 hrs) • Hands-On CRP Session (2 hrs) • Phase 0 Assessment (2 hrs) • Internal Outreach (~4 hrs)	30
	April	• Design Review Meetings (5 hrs) • Homework & Prep (5 hrs) • Chart of Accts Changes (~16 hrs) • Internal Outreach (~4 hrs)	30
	May	• Design Review Meetings (5 hrs) • Homework & Prep (2 hrs) • Data Validation Review (6 hrs) • Internal Outreach (~4 hrs) • Optional Ad-Hoc Rpt Building	17
	June	• Design Review Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~4 hrs) • Security Data Collection (3 hrs) • Hands-On Reporting Workshops (3 hrs) • Optional Ad-Hoc Rpt Building	17

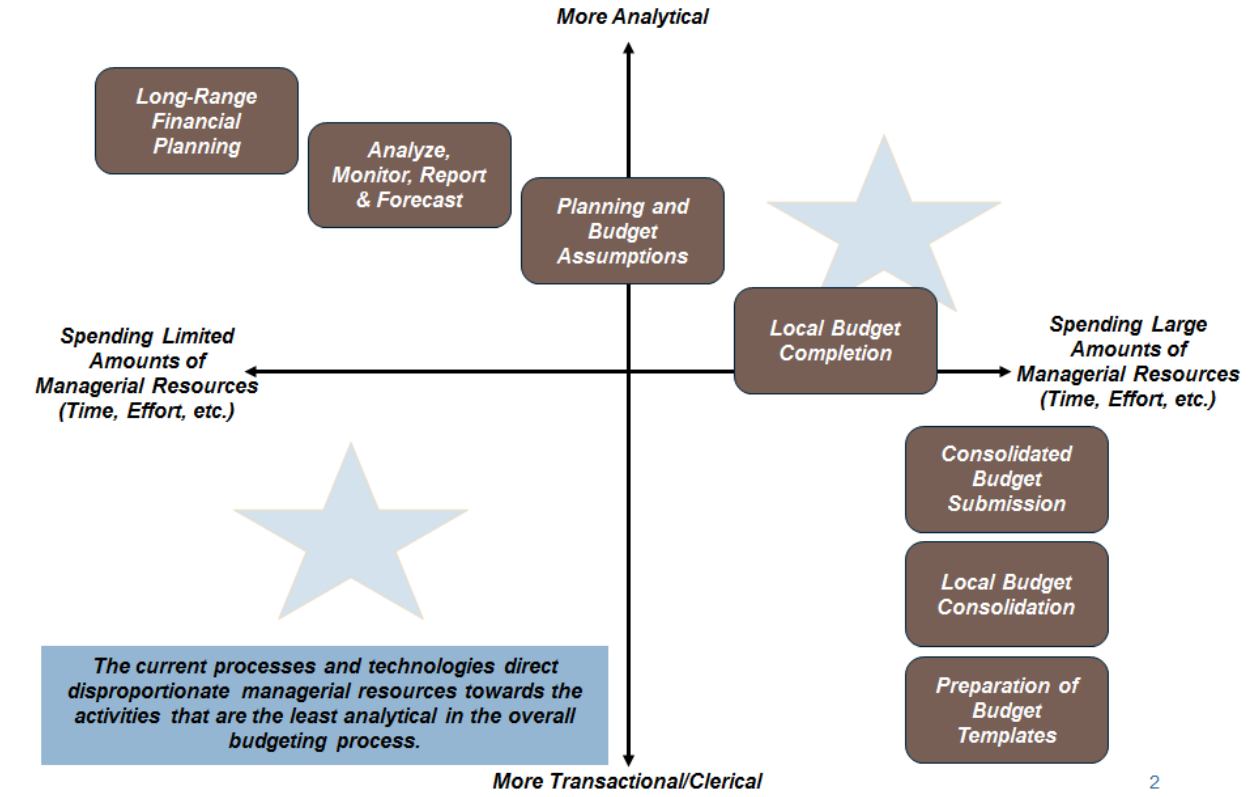
Year	Month	Planned LIM Activities for the Month	Total Hours
2011	July	• Design Review Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~3 hrs)	10
	August	• Project Status Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~3 hrs) • Phase 1 Assessment (2 hrs)	12
	September	• Project Status Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~5 hrs) • Draft Training Content Rvw (3 hrs) • Roll-Out Planning (5 hrs)	20
	October	• Project Status Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~5 hrs) • User Acceptance Testing (5 hrs) • Update Internal Documentation (3 hrs)	20
	November	• Project Status Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~8 hrs) • Security Data Collection (20 hrs)	35
	December	• Project Status Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~5 hrs) • End-User Training (20 hrs)	32

Year	Month	Planned LIM Activities for the Month	Total Hours
2012	January	• Project Status Meetings (5 hrs) • End-User Support (~40 hrs) • End-User Training (20 hrs)	65
	February	• Project Status Meetings (5 hrs) • End-User Support (~40 hrs)	45
	March	• Project Status Meetings (5 hrs) • End-User Support (~40 hrs)	45
	April	• Design Review Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~3 hrs) • End-User Support (~20 hrs)	25
	May	• Design Review Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~3 hrs) • Phase 2 Assessment (4 hrs) • Focus Groups (4 hrs)	10
	June	• Design Review Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~3 hrs)	10
	July	• Design Review Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~3 hrs)	10
	August	• Design Review Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~3 hrs)	10
	September	• Design Review Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~5 hrs) • Draft Training Content Rvw (3 hrs) • Roll-Out Planning (5 hrs)	20

Year	Month	Planned LIM Activities for the Month	Total Hours
	October	• Project Status Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~5 hrs) • User Acceptance Testing (5 hrs) • Update Internal Documentation (3 hrs)	20
	November	• Project Status Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~8 hrs) • Employee Data Validation (20 hrs) • Security Data Collection (20 hrs)	55
	December	• Project Status Meetings (5 hrs) • Homework & Prep (2 hrs) • Internal Outreach (~5 hrs) • End-User Training (20 hrs)	32
2013	January	• Project Status Meetings (5 hrs) • End-User Support (~40 hrs) • End-User Training (20 hrs)	65
	February	• Project Status Meetings (5 hrs) • End-User Support (~40 hrs)	45
	March	• Project Status Meetings (5 hrs) • End-User Support (~40 hrs)	45
	April	• Project Status Meetings (5 hrs) • End-User Support (~20 hrs)	25
	May	• LIM User Group Meeting (2 hrs) • Phase 3 Assessment (4 hrs) • Focus Groups (4 hrs)	10
	June	• LIM User Group Meeting (2 hrs)	2

IX. APPENDIX II

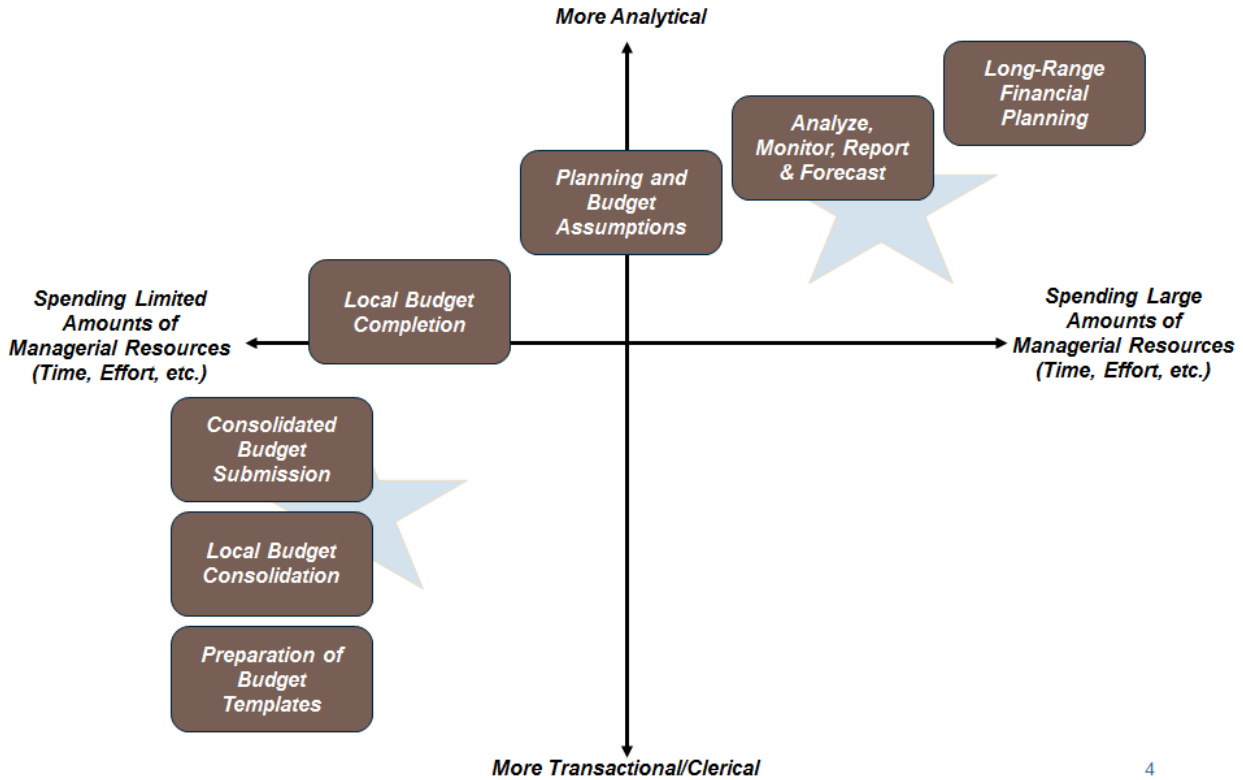




Quality/Workload Challenges w/Current Process

Activity	Current Process
Long-Range Financial Planning	Infrequent financial modeling performed in Excel based upon a strategic plan requires manual maintenance to update financial results. Annual budgets are not done in the context of a more comprehensive and integrated assessment of available resources over longer-term time horizons
Planning and Budget Assumptions	Assessment of options requires local development of worksheets (with rekeyed data) that combine latest forecast information along with financial impact assessment for decision-making, Staff spend hours validating numbers to ensure decisions are based on complete info, but decisions stall while managers negotiate the provenance of the data.
Preparation of Budget Templates	Budget template development is the most time-consuming component of the budgeting process and adds the least amount of value. Finance office staff cut, paste, and format data from multiple BAIRS reports into templates for each sub-department.
Local Budget Completion	Excel budget templates provide depts with a vehicle for budget submission but do not facilitate budget preparation or seasonality (templates only include total annual estimate). In-cell calculations to derive summary numbers must be separately explained in a note that doesn't transfer to the consolidated plan.
Local Budget Consolidation	Consolidation is overly clerical and time-intensive while adding little value to the budget completion process. Typically, local planners have made errors in their entry that can have finance office staff wasting hours identifying and correcting before consolidation can proceed.
Consolidated Budget Submission	Local finance offices spend hours reorganizing and rekeying data from their "local" budget view to the higher level required for central campus analysis and approval. Nearly 20K individual journals @ approx .5 hr. each are processed to load and maintain the budget in the GL.
Analyze, Monitor, Report & Forecast	The current standard BAIRS reports are transactionally focused and fall short for management reporting purposes; to bridge the gap, many units have developed local shadow systems, or rekey the data into Excel to produce reports for their leadership and dept managers

Optimal Budget & Forecasting State



"As Is" vs. "To-Be" for UCB Planning & Analysis

Activity	Current Process	Future Process with Hyperion
Long-Range Financial Planning	• Manual maintenance of off-line, Excel long-range plans • Less finance staff resources devoted to a more comprehensive and integrated assessment of available resources over longer-term time horizons	• Long range plans developed within SmartView with live links to the latest financials • Introduction of non-financial measures that drive calculations for multiple scenarios
Planning and Budget Assumptions	• Manual development of worksheets (with rekeyed data) and associated reconciliations to provide financial impact assessment for decision-making • Decisions stall while managers negotiate the provenance of the data.	• SmartView ad hoc integration provides real-time access to the latest results; significantly reducing effort to dynamically test alternate strategies. • Single version of the truth": all financial results come from the same framework and source
Preparation of Budget Templates	• Finance office staff cut, paste, and format data from multiple BAIRS reports into budget templates and staff rosters for 20 or more sub-departments.	• Pre-formatted, easily navigable input templates, automatically scaled by security with GL synchronization for YTD actuals
Local Budget Completion	• Templates don't facilitate budget preparation • No seasonality (templates only include total annual budget) • In-cell calculations to derive summary numbers separately explained in a note that doesn't transfer to the consolidated plan.	• Templates don't facilitate budget preparation • Automated spreads to months based on straight 1/12 or content of cells • Supporting detail feature documents build up to summary line item budget. Cell comments allow for explanations. Both cell contents and supporting detail follow copies.
Local Budget Consolidation	• Overly clerical and time-intensive consolidation (copy/pasting data into a consolidated workbook) • Wasted hours searching for errors in submissions	• Consolidation occurs instantly as soon as data is saved in template, eliminating data entry errors and copy and paste between workbooks.
Consolidated Budget Submission	• Units reorganize and rekey data from their "local" budget view to the central campus template. • 600+ users processing nearly 20K individual journals @ approx .5 hour each are processed to load and maintain the budget in the GL.	• Finance offices simply notify Budget Office of completion. Consolidated budget available immediately through Sources & Uses report. • Automated load of final budget to GL
Analyze, Monitor, Report & Forecast	• Maintenance of local reporting shadow systems, • Rekey data into Excel to produce reports for their leadership and dept managers	• Alternate hierarchies and specialized reports (created by local units within the system) provide management reports that support local analysis without rekeying data or local shadow reporting systems.

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Tool Comparison – Current vs Future State

Moving from the current state to a more optimal state requires that we significantly improve the integration of our technologies in order to streamline or eliminate clerical activities.

	Current Drawbacks		*Benefits*	
Local Budget Development, Submission and Consolidation	Microsoft Excel	• Poor Version Control • Error-prone • Limited ability to interface with other systems • Cumbersome to create templates • Difficult to consolidate	*Hyperion*	• Pre-formatted, easily navigable input templates • Automatic consolidation • Integrated analytical capabilities • Ability to pre-populate assumptions • Real-time coding validation • Web-enabled
Budget Submission to GL	**GL Budget Journals** BFS	• Limited versioning functionality • Time-consuming data entry and approval process • Custom module for BFS	*Planning*	***Not Applicable – Users can reallocate/adjust budget in real time, without a duplicate load step to the GL***
Reporting and Monitoring	BAIRS Berkeley Reporting Portal	• Limited management reporting • No drill-down ability • Insufficient flexibility • Special expertise req'd for independent queries	*Essbase*	• Alternate roll-ups • Interactive, dashboard-like graphical reporting • Drill-down capability, • Real-time, ad-hoc querying from within Excel • Refresh data from within Word, Powerpoint, no rekeying

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