

FSRP NEWSLETTER

#001 (April 9, 2004)

One of the goals of the FSRP initiative is to ensure that everyone affected receives timely, meaningful information about the project. This is the first in a series of communications designed to keep you up-to-date on project progress, introduce you to project terminology that you will begin to hear over the coming months and prepare you for the implementation of the new SAP system.

This edition of the newsletter covers the following topics:

- A Message from the Project Sponsors
- The Role of the Project Sponsors
- Approval of the Project Charter
- Explanation of the Project Objectives, Benefits and Critical Success Factors
- Glossary of Core Project Terminology
- Your Questions Answered
- Project Contact Information.

A Message from the Project Sponsors

A year from now, in addition to the forsythia, daffodils, opening day and other signs of new life and hope, the University community will see the first subsystems of the new mySAP financial system begin to bloom. The current plan will bring Budgeting live in March, 2005 with Purchasing following in June. The new general ledger will go live at the start of the new FY06 fiscal year in July, 2005.

While there has not been much communication from the project, there has been much work taking place – and the communication will be accelerated apace. This newsletter is the first of a regular series, not only to keep you informed, but, more importantly, engaged. Our mantra continues to be on time, within budget, providing an online system with services and features markedly more advanced than available now. We repeat it because we expect to be held accountable.

Since UC selected the mySAP system, two other major U.S. research universities have followed suit: Johns Hopkins University and Kentucky University. A task force is evaluating front end software (at nearly no cost) from the Massachusetts Institute of Technology, that interfaces with the mySAP financials to provide pre-award proposal management and submission, which so far looks promising as a powerful tool for our research community. Another task force is evaluating Human Resources systems, paying particular attention to whether the mySAP solution offers advantages.

We all (faculty, students and administrators) are engaged in further developing UC as a highly respected and recognized major research university. The management environment established by these new systems will be the equal of any in the country, along with our networking, course management system and other environments. This is another significant point of pride in being “all UC”.

Dale McGirr
VP and CFO

Fred Siff
VP and CIO

The Role of the Project Sponsors

The Financial System Replacement Project has two Project Sponsors:

- Mr Dale McGirr, Vice President and Chief Financial Officer (CFO)
- Mr Fred Siff, Vice President and Chief Information Officer (CIO)

The role of the Project Sponsors is to define the vision and goals for the project. The Sponsors:

- Are the ultimate owners of the project and have decision-making authority
- Maintain the final authority to set priorities, approve scope and settle University-wide issues
- Promote the project throughout the organization
- Have final budget authority.

Project Charter Approved



The Project Sponsors and Executive Steering Committee have approved the initial version of the FSRP Project Charter. The Project Charter is a collaborative effort between the Project Managers, Project Team and the Project Sponsors, representing an agreement on and a commitment to, the goals, outcomes and deliverables of the project.

What is the Project Charter?

The Project Charter establishes the overall approach that will be followed in order to deliver a quality SAP system for UC's Financial System Replacement Project (FSRP). The Project Charter is a living document that is maintained and controlled by Project Management and will be updated as required over the duration of the project.

What's in the Project Charter?

The Project Charter outlines the:

- Objectives, Benefits and Critical Success Factors for the project
- Project Implementation Strategy and Approach (i.e. how the SAP system will be implemented)
- Project Organization (including roles and responsibilities)
- High-level scope of the project
- Project Strategies, and
- Project Standards and Procedures.

Why Do We Need a Project Charter?

The Project Charter is essential for managing the expectations of the project's stakeholders and participants. It is designed to:

- Facilitate the successful completion of the FSRP initiative
- Instill confidence in the quality of the work performed
- Define the roles and responsibilities of project stakeholders
- Provide a mechanism to execute the project and track and report project progress
- Define the framework within which project progress and issues are communicated both within the Project Team and to the wider UC Community.

Where Can I Find the Project Charter?

The Project Charter is available from the following sources:

- For the UC Community – on the FSRP Website at www.uc.edu/fsrp (available from 4/12/04)
- For Project Team Members – from the Ascendant ERP Toolset (under "Other Documents")

An overview PowerPoint presentation about the Project Charter is also available on the FSRP Website.

Objectives, Benefits and Critical Success Factors of the FSRP

The Financial System Replacement Project has four main objectives:

- Relate to UC's needs as a 21st Century public university
- Efficient financial operations and accurate information
- Flexibility and information access improvements
- Ability to use financial information to manage central resource strategies.



The primary benefits expected to accrue from the project include:

- Supports a flexible, evolving and responsive business environment
- Eliminates non-value adding activities such as data entry duplication
- Adopts best practices where possible
- Improves ability to service customers
- Improves quality, quantity and timely processing of UC's financial data enabling better information for mission-critical decisions
- Reduces reliance on ancillary systems
- Provides an integrated solution to the shortfalls of the existing CUFS system
- Streamlines business processes and reduces inefficiencies
- Supports information sharing and access
- Simple and easy-to-use interfaces.

Success for the project is defined as follows:

General

- The FSRP SAP implementation must come in on time, on budget and with the functional scope that will be defined and agreed to during the Blueprint Phase of the project.
- Adequate knowledge transfer must take place from the external (IBM and SAP) consultants to UC personnel, through all phases of the implementation so that UC will be fully capable of supporting the SAP system at the conclusion of the initial phase of the implementation effort.
- The organizational impact of the new system must be minimized by dedicated Change Management activities that support a smooth transition to the new SAP environment.
- All personnel must be adequately trained prior to using or working with the new system.

Functional

- Business processes and practices contained in the mySAP Business Solution will be adopted to improve UC practices and procedures.
- UC must be able to go live with General Ledger, Accounts Receivable, Accounts Payable, Purchasing and Grants Management on 1 July, 2005.
- Budget, including Position Budgeting, must go live on 1 March 2005.
- Shadow systems should be eliminated wherever possible.

Technical

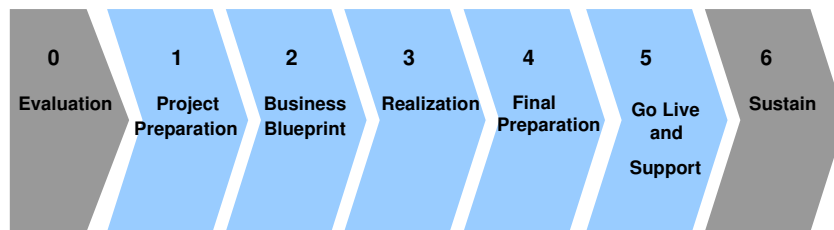
- Standard SAP configuration practices and capabilities will be adopted. The SAP program code will not be customized or modified.
- Existing interfaces with the CUFS system must be allowed for in the implementation of the new SAP system.
- The new system will provide the ability to interface to and provide data for other UC web applications.

Glossary of Core Project Terminology

The FSRP initiative has a unique “language” of terms and acronyms. These newsletters will be used as a forum for introducing key Project and SAP Terminology beginning with a list of **core** terms and definitions:



<u>FSRP</u>	Financial S ystem R eplacement P roject. UC’s initiative to replace the CUFS system and streamline and standardize key business processes in the areas of Accounting, Budgeting, Grants, Endowments and Procurement
<u>ERP</u>	Enterprise R esource P lanning. ERP refers to a category of software packages that are designed to integrate functions across an organization onto a single computer system
<u>SAP</u>	SAP is software company, based in Germany, that produces the world’s most widely adopted ERP software
<u>mySAP Business Suite</u>	mySAP Business Suite is a collection of integrated software solutions that includes an ERP component. CUFS will be replaced with a mySAP Business Suite solution
<u>SAP R/3</u>	SAP R/3 is the ERP system that is the foundation of the FSRP solution. SAP R/3 is a component of the mySAP Business Suite
<u>PMO</u>	FSRP’s P roject M anagement O ffice
<u>ERP Project Lifecycle</u>	A unique implementation lifecycle that has been developed for ERP projects – the phases are shown in the diagram below:



<u>Project Preparation</u>	The Project Preparation Phase is where the initial planning and preparation for the SAP implementation is conducted. Project Preparation builds the foundation for the rest of the implementation
<u>Business Blueprint</u>	The Business Blueprint Phase of the SAP implementation lifecycle is where the Business Blueprint document is created. The Business Blueprint document is a detailed description of the business processes to be implemented in the SAP system. FSRP is currently in the Business Blueprint Phase
<u>Process Flow</u>	a graphical or textual representation of the specific inputs, processing steps, options and outputs associated with business processes.
<u>Business Process Owner</u>	UC employees who are responsible for ensuring that their process meets approved requirements
<u>“As-Is”</u>	a term used to represent the current system and its processes before the new system is implemented
<u>“To-Be”</u>	a term used to represent the new system and its processes once changes are implemented. The FSRP is focused on the “To-Be” processes as they will be implemented in the new SAP system

SME

Subject Matter Expert. UC employee with extensive knowledge of a particular requirement or business process

Your Questions Answered

In the Summer of 2002, a number of Focus Groups were held to provide members of the UC Community with an opportunity to express any concerns or issues relating to the replacement of the CUFS system. A number of questions were raised and documented. These newsletters will be used as a forum to answer these questions and any new questions or concerns that are raised.



Q: *Who will be responsible for implementing the new system?*

A: The FSRP Project Team structure is based on a collaborative effort, drawing resources and skills from UC, IBM and SAP. The structure is designed to facilitate knowledge transfer to UC staff so that UC can establish a core competency in the operation and maintenance of the SAP system. The project is governed by the Project Sponsors and the Executive Steering Committee, who represent the wider UC Community. A detailed Project Team Structure Chart, including Executive Steering Committee and Project Team Member names, is available on the FSRP website at: www.uc.edu/fsrp

Q: *Do any other Universities already have a similar system being used successfully?*

A: SAP has been successfully implemented more than 150 universities worldwide including Duke University, MIT and the University of Mississippi. Universities recently acquiring SAP and currently performing initial implementations similar to UC include the University of Kentucky and Johns Hopkins University.

Q: *Will replacing CUFS with a new system meet UC's business needs?*

A: The SAP system is being designed (Blueprinted) by a team that includes consultants and staff from across the University. All business units are represented on the Blueprint teams to ensure that the solution is the best possible fit for the University as a whole.

Q: *How do I submit a question or concern?*

A: The FSRP Project Team is interested in knowing what people have on their minds! In particular, we want to understand what questions UC employees have regarding the implementation of the new SAP system. To submit questions, comments or concerns, please send an e-mail to:

FSRPCOM@UCMAIL.UC.EDU

Project Contact Information

For further information regarding the Financial System Replacement Project, please contact:

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