

OE Project Charter - CalPlanning

Project Name:	CalPlanning
Prepared by:	Catherine Lloyd
Date (MM/DD/YYYY):	November 3, 2011

Project Charter Version History:		
Version	Date (MM/DD/YYYY)	Comments (Draft, Signed, Revised - current status)
1.0	5/7/2011	Initial Version
1.1	11/02/2011	proofed/edited

Document Purpose

The Project Charter documents the formal conversation between the Project Sponsor and the Project Manager/Team, including the definition of success for the project.

Once approved, the Project Charter communicates the current agreement between the Project Sponsor and the Project Team throughout the lifecycle of a project. The Charter provides a high-level overview of the project, including the definition of project success and project resource (people and funds) requirements.

Requests and additions to the project scope are considered “out-of-scope” for the current project. When a scope change is required, document a change request that includes an impact analysis of project cost, resources, schedule, and risk. The Project Sponsor then formally approves the scope change request.

The project manager will retain additional documents that provide detail on the management of the project, including a communications plan, an issues log, a risk log, a change management plan, a budget, and a work schedule.

Review & Approval		
<i>The Project Sponsor signature indicates approval of the Project Charter, and authorizes the Project Manager/Team to use identified resources to proceed with the detailed planning and execution of the project; using this charter as guide</i>		
Project Sponsor(s) Name	Signature	Date
Erin Gore		
Paul Gray		

A. Case for Change

What is the Current Situation?

The ability of UC Berkeley leaders and staff to view real-time financial data and make informed choices and financial decisions to address our economic reality is severely limited.

Our campus's current budgeting system and practices were developed at a time when the State of California provided the majority of funds for the University of California. Over the past decade, UC's financial model has changed dramatically and all campuses increasingly rely on non-permanently budgeted fund sources. Now that the state provides less than 15% of UC's total resources, all campuses down to the department level need to have a complete view of their all-funds budget in order to make informed planning choices and financial decisions. However:

Financial management at UC Berkeley is more difficult than it should be

- Too frequently campus leaders must make decisions based on inadequate, incomplete or outdated financial data.
- Campus finance professionals spend too much time generating, manipulating and presenting data rather than analyzing data and supporting decision making.
- Comparing financial scenarios—a cornerstone of sound financial management—is challenging and problematic, particularly across units or multiple years, when the inconsistent inputting of financial data is combined with our reporting system, which focuses on past transactions.
- Off-line Excel spreadsheets are manually maintained to monitor spending during the year and to prepare their annual budget.
- Position budgeting (maintaining and adjusting staffing lists) is requiring a higher degree of effort as departments seek to identify salary savings from permanently budgeted positions to fund operations. There is a strong desire to have this function automated by the new budget tool.
- Most budget directors centrally prepare budgets for each of their units and update the templates themselves based on planning conversations with the unit (note: not all budget directors have templates).
- Budget directors would prefer to push accountability, preparation and monitoring of budgets to the subsidiary units, but are hampered by underdeveloped financial and technical competencies in many of them, coupled with workload increases due to budget cuts.
- Contracts and grants budgeting and reporting for faculty was also noted as a key pain point, with significant effort devoted to providing up-to-date projections.
- Preliminary discussions indicate a fairly consistent format and approach to the design of budget templates and associated processes.

B. Purpose

What problem will be solved by the project? What value does this project add to the organization? How does this project align with the strategic priorities of the organization? What benefits are expected once the project is completed?

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
- The ability to analyze and predict “all” sources available to fund operations with relative restriction by source, along with budgeted/actual spending against those sources
- The flexibility to quickly build reports and analysis in different formats (Excel, Word, PowerPoint, PDF) to answer key questions at every level of the organization
- The capacity to track and assess the impact of multi-year commitments on future budgets
- Streamlined and more automated development of consolidated budget and spending plans across multiple subsidiary units with uniform budgetary assumptions

The strategic value of implementing the budget tool 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

C. Results

What does success look like? How do we know that the problem described above is resolved? This typically involves clarifying metrics for operations once the project is completed.

- Builds 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

- Reduced Control Unit effort to track positions, estimate/track salary savings, build TAS budgets, and collaborate with departments on the build and monitoring of annual plans
- Reduced effort to manage the budget allocation process and tracking in the General Ledger, as well as budget & staffing list submissions to UCOP
- Real-time data entry calculations and validations at the source reduce time and effort associated with rework, focusing conversations between central finance offices and departments on substantive budget issues.
- Tracking for multi-year commitments, ability to efficiently assess the impact of various operating or forecast budget scenarios on the bottom-line.
- Shorter timeline for submission of control unit budget to the Center; longer time for substantive discussion between units and campus leadership.
- On-line training and higher ease-of-use creates opportunities for more substantive engagement with planning throughout the FY, facilitating improved forecasting and earlier identification of problem areas/funding opportunities.

#	Success Measure
1	<p>Formal Assessments</p> <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ 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 CalPlanning to the baseline
2	<p>On-Going</p> <ul style="list-style-type: none"> • Participant assessments after each design and training session <ul style="list-style-type: none"> ○ 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
3	<p>Post-Rollout</p> <ul style="list-style-type: none"> • Reports on number of support calls • Survey user satisfaction with the Hyperion solution

D. Scope

The scope defines the boundaries in terms of where the project begins and ends. The scope describes what will be delivered - where, when, and how. It describes the services, functions, systems, solutions, or tangible products for which the sponsor will take delivery.

Phase 1—Clarification and rationalization

The first phase focuses on clarifying and rationalizing our complex budgeting environment.

Our current system is more complex and time-consuming than it needs to be. It actually *prevents* the campus from making changes that are necessary for UC Berkeley to transition to a new funding model. For example, currently:

- UC Berkeley budgets over 14,000 funds compared to approximately 2,000 at UCLA.
- Processes for distributing funds for Temporary Academic Staff, for example, are complex, laborious and not tied directly to strategic initiatives in teaching.
- The system contains a large number of unnecessary historical artifacts, and is poorly suited to the evolving new structure of revenue flows to the campus.
- It is extremely difficult to “roll up” summary information because the supporting data is often not consistent, reliable and/or accessible.

Phase 2—Modernization

In the second phase, we need to start building tools and processes to support our desired future.

The campus’s currently available budget tools were built for an outdated “permbudg” model that does not look at all sources of funding and cannot carry us into a future where leaders regularly access financial reviews and forecasting scenarios to inform their decisions. Although financial staff across the campus have been proactive and created unit-specific systems to provide their leaders with financial information for decision making, this represents an enormous duplication of effort and makes data consistency and security an ever-increasing problem.

Phase 3--Transformation

In the third phase we move from preparation for a new reality to living and managing in the new financial reality.

In terms of the Cal Budget and Planning project the campus will be able to produce an all funds budget every year. Each Dean will be able to easily view all available resources for analysis of programmatic resources and needs. Since there will be an approval of a complete budget for units, the need for the current transaction heavy budget journal allocation will be eliminated. The campus and deans will be able to move to multi-year forecasting, and be able to smooth budgetary shocks. These efforts will help us lay the groundwork for more in-depth discussions about the fundamental structural changes to the campus financial model, including the possible adoption of elements of resource centered management.

E. Project Constraints & Assumptions

List the known and anticipated constraints, and the initial assumptions for the project.

#	Name
1	The timing of the annual budget cycle is a key constraint as delivery delays will risk our ability to use the tool during the business activities it is being designed to

	support.
2	Availability and effort on the part of the campus school, college, division, and control unit finance staff to participate in the design, testing and roll-out of the tool is a key constraint. We will need to be exceedingly efficient in our demands for this population given the impact of layoffs from budget cuts as well as other competing OE initiatives (BearBuy, Shared Services, Org Simplification, etc.)
3	Availability and effort on the part of resources in the Central Campus Budget, Human Resources, and Controller’s Offices to guide the design, testing and roll-out of the tool is a key assumption. Changes to the chart of accounts, employee compensation and budgeting business processes generated by the tool’s design discussions will drive policy and systems changes that will need to be implemented by operations staff in those units.
4	The project budget assumes that term or contract staff will be recruited for the projected salary amounts; however, if quality resources cannot be identified within the timeframe, consultant supplementation may be required to meet project deadlines.

F. Project Milestones & Deliverables

List the major milestones and deliverables of the project.

Milestone	Deliverables*	Date
Project Requirements & Design/Proof-of-Concept	Conference Room Pilot App, Demo, after-action rvw, asso. documentation	December 2010 - April 2011
Build, Test, Training Content for Reporting-Only GO LIVE	Production reporting application, data loads, reports, training, after-action rvw,	April – August 2011
Final Build, Test, Training Content for Summary Budgeting	Design & testing documentation, training environment & materials	July – November 2011
GO LIVE, Training, Roll-Out & Stabilization for Summary Budgeting	Production budgeting application, Planning data entry forms, business rules, & reports; training class delivery and on-line documentation, after-action rvw	November 2011 – April 2012
Position/Employee Requirements & Design	Conference Room Pilot App, Demo, after-action rvw, asso. documentation	April – July 2012
Final Build, Test, Training Content for Employee/Position Budgeting	Design & testing documentation, training environment & materials	July – September 2012
GO LIVE, Training, Roll-Out & Stabilization for Employee Compensation Budgeting	Employee compensation data entry forms, business rules, & reports; interface to HCM, training class delivery and on-line documentation, after-action rvw	October 2012 – March 2013
Stabilization, After-Action Review, Project Close-Out, Set Up Ongoing Operating Model (in place 6/30/2013	Final project after-action review; workplans for operations team; on-going user group and	March - June 2013

	enhancement prioritization process	
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**Not an exhaustive list*

Project Phase	0 – Foundation	1 – Reporting Release	2 – Summary Budgeting	3 – Employee/Position
Scheduled Dates	Nov 2010 – Apr 2011	April – August 2011	Aug 2011 – April 2012	May 2012 – June 2013
High-level Project Activities	<ol style="list-style-type: none"> Assign and deploy resources from the units and the center; train core team and LIM Steering Group Core design (with LIMs) of system foundation (dimensionality, data sourcing/transformation, basic summary budget templates, calculations & reports) and functions to be used as a "demo" instance Proof-of-Concept demonstration, review/feedback, refinement, delivery of hands-on sessions for LIMs Assess performance on Phase 0 deliverables and revise plan for Phases 1-3 	<ol style="list-style-type: none"> Data loads (historic budget & actuals at line item detail) build, testing & validation Reporting-only release (SmartView for ad hoc) with Sources & Uses Financial Studio Report to LIMs and central BRP Sign-off on final design of summary budget functionality Assess performance on Phase 1 deliverables and revise plan for Phases 2-3 	<ol style="list-style-type: none"> Production build, configuration, testing, migration of data loads, artifacts for summary budgeting only (no employee/position) Development, review, and delivery of training content December 2011 Go-Live User training & on-boarding Summary budget preparation and submission (FY12-13 Budget Call) in CBPS User focus groups to give feedback on solution and recommend improvements Enhancements to functionality coming out of initial budget cycle Assess performance on Phase 1 deliverables and revise plan for Phases 2-3 	<ol style="list-style-type: none"> Production build, configuration, testing, migration of data loads & artifacts for employee/position budgeting Enhancements to summary budgeting functionality from Phase 2 assessment Development, review, and delivery of training content December 2012 Go-Live Finalization and documentation of on-going operational support model, including planning and prioritization for future tool initiatives Project-wide after-action review to capture lessons learned and "best practices" for future IT projects at UCB

G. Impact Statement

List the impact this project may have on existing systems and populations.

Potential Impact	What and Who is Impacted	Rating (1-5)
Standardization of business processes across the campus	VC Admin & Finance Local Implementation Managers Local Department Planners	5
Complement existing enterprise systems	BAIRS, BFS	3
Retire the custom BIBS/PRT modules in PeopleSoft	PeopleSoft end-users	5

1 – Low, 3 – Medium, 5 –High

H. Finance Description

Provide a high level narrative overview on the estimated investment requirements, the savings targets, and the ongoing funding model.

The project is expected to cost \$6.147 million, with funding from an OE Loan - similar to the Sciquest Project - to be repaid from central resources - not from OE savings. The on-going funding for the 3-member functional operations team will be derived from the Budget Office; on-going technical costs will be absorbed by the Office of the CIO.

I. Risks

Identify the high-level project risks and the strategies to mitigate them.

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)
Functional Challenges										
1.1	Functional	Application performance does not meet expectations.	<ul style="list-style-type: none"> ▪ Using consulting and internal product experts, scale required hardware to address 4 areas of concern: <ul style="list-style-type: none"> 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 doesn'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 actual hours effort to identify gaps. Reassess scope and resources within budget to address.	\$100	\$200	10%	\$10	\$20	2	0.2

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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	<p>If position tracking cannot be implemented in HCM during the project lifecycle, three potential options exist:</p> <ul style="list-style-type: none"> - 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 <p>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.</p>	\$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

J. Communication

Highlight the communication requirements between the Sponsor, the Key Stakeholders and the Project Team, including the frequency of check-ins, project reviews, and status reports (in person and written).

Communication Tool	Primary Audience	Type of Information Delivered
Budget & Resource Planning website	Campus	Project charter, timeline, info about the tool, links to project team contacts, lists of LIMs by unit, general FAQs
bSpace	Governance bodies, LIMs	Pages configured by audience (governance level), shared calendars, doc collaboration, training registration, LIM communications
JIRA	Project team	Issues management (in lieu of e-mail), change control, bug/enhancement mgmt
CalShare	Project team	Detailed project plan for review, design docs, funct/tech specs, test plans
Meetings <ul style="list-style-type: none"> • Weekly project leads • Bi-weekly LIM Steering • Monthly LIM project status 	Project Leads LIMs/UPMs	Resource constraints, issues for joint resolution (project leads) Design options for decisions/feedback Other project updates (training strategy,
Status Reports	Project Leads LIMs/UPMs OE/Sponsors	Project team individual weekly status reports Unit readiness/engagement status Bi-weekly project status dashboard (PMO)

Appendix A - Project Roles & Responsibilities

Describe the roles and responsibilities of the project participants.

<i>The Project Sponsor represents the interests of the Council of Deans and VCs. They are briefed frequently to ensure that higher level oversight is considered in all major decisions of project approach and scope. The sponsor also provides resources; helps resolve escalated issues, approves scope changes, approves major deliverables, and provides high-level direction.</i>
Name
Erin Gore
Paul Gray
Jon Bain-Chekal
Shel Waggener

<i>The Project Team Lead is responsible for the vast majority of project plan tasks and related decision making. This team directs its reports to accomplish tasks in a prioritized manner.</i>
Name
TBH (Change Management Lead)
Tina Tymczak (Consultant Lead)
Peter Cava (UCB Technical Lead)
TBH (Functional Lead)
Teresa Constantinidis, Asst Vice Chancellor, Budget (Business Owner)

<i>The Project Manager leads the team in planning and implementing the project from initiation to closure. Their responsibilities include scope and change management, keeping the project plan current (deliverables, schedule, and resources), issue and risk management, maintaining project documents, reporting project status, and facilitating conflict resolutions within the project and between cross-functional teams.</i>
Name
Cathy Lloyd (Primary)
Jon Bain-Chekal (OE Finance Team Initiative Manager)

<i>The Local Implementation Manager (LIM) Steering Committee is the primary decision-making body for components of the baseline functional design decisions. The group contains leaders possessing direct oversight over project team resources and representative business process owners (LIMs) from the control units, and is empowered to make decisions on behalf of the broader LIM group within the bounds of the scope, timeline, and budget established by the sponsors.</i>
Name
Kevin Argys (Haas)
Anne Benker (VC-Res)
Thomas Cunningham (VCA&F)
Laurent Heller (Law)
Michelle Kresch (CIO)
Stephanie Metz (OE)
Bruce Miller (VC Student Affairs)
Judy Okawa (L&S)
Mary Stapleton (UHS)
Marcia Steinfeld (Engineering)
Lisa Vanderfin (Genl Acctg)
Elise Woods (Library)

*The **Local Implementation Manager (LIM)** serves as primary contact for college, school, division, or control unit, ensuring bi-directional communications between the project team and the local user community are effective and timely, and engaging local unit subject matter experts as needed to provide design and implementation feedback to the project team and LIM Steering Committee. LIMs also provide business and process expertise; coordinate any necessary chart of accounts adjustments, user training and security data collections; manage the college, school, division, or control unit's implementation project plan in conjunction with the project team; track local issues & assist with coordination of troubleshooting efforts and business process design; oversee the effort of all local representatives working on the project, ensuring all deliverables are provided with a high degree of quality and timeliness.*

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11/3/2011

Last Updated:

Name
Tessie Aczon, Pam Adamson, Kevin Argys, Anne Benker, Gail Bergunde, Barbara Broque,
Cecilia Chang, Ellen Chang, Teresa Constantinidis, Grace Crvarich, Thomas Cunningham,
Jean Delaney, Calvin Eng, Michael Ferencz, Jerilyn Foushee, Jules Freeman, Elizabeth Geno
Elizabeth Halimah, Merle Hancock, Laurent Heller, Rebecca Hoag, Ted Huang,
Meilin Huang, Joyce Jennings, Ty Johnson, Lisa Kala, Michelle Kresch, Barbara Lane,
Stephanie Metz, Bruce Miller, John Momper, Charlene Nicholas, Judy Okawa,
Terence Phoung, Suzanne Pierce, Nora Pineda, Kelvin Quan, Elisabeth Remick,
Michele Robinson, Kathy Siacotos, Mary Stapleton, Marcia Steinfeld, Levina Subrata,
Frankie Temple, Lisa Vanderfin, James Wheeler, Elise Woods, Helen Workman

*The **Team Members** responsibilities include understanding the work to be completed, completing the research, data gathering, analysis, and documentation. They inform the project manager and team members of issues, scope changes, risks, and quality concerns. They also proactively communicate status and manage expectations.*

Name	Roles
Michelle Martin	Project Administrator
TBH	Trainer
TBH	Unit Portfolio Manager
Diane Lau	Unit Portfolio Manager
TBH	Functional Analyst
Ravi Dhurvas	Reporting Analyst (50%)
TBH	Reporting Analyst (50%)
Janet Chin	EDW Developer
Cheryl Kojina	EDW ETL Developer
Mike Mueller	Consultant Technical Architect

Appendix B - Key Terms & Definitions for this Project Charter

Define key terms unique to this Project Charter.

