

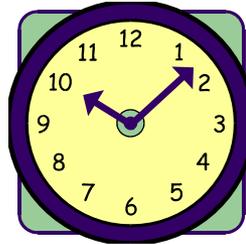
Imprest Funds & Replenishments  
FI-CM-007  
Nov 19  
2008



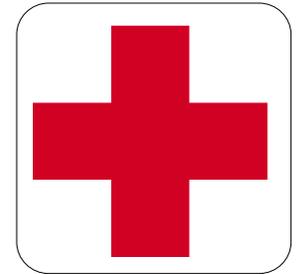
LaGOV



# Logistics



**Before we get started ...**





# Ground Rules

- Has everybody signed in?
- Everybody participates – blueprint is not a spectator sport
- Silence means agreement
- Focus is key – please turn off cell phones and close laptops
- Challenge existing processes and mindsets
- Offer suggestions and ideas
- Think Enterprise
- Ask questions at any time
- One person at a time please
- Timeliness – returning from break
- Creativity, cooperation, and compromise





# Introduction

## ■ Roles

- **Process Analyst and Functional Consultant** – lead and facilitate the discussions and drive design decisions
- **Documenter** – take detailed notes to support the formal meeting minutes to be sent by the Process Analyst to all participants for review and feedback
- **Team Members** – provide additional support for process discussions, address key integration touch points
- **Subject Matter Experts** – advise team members on the detailed business process and participate in the decisions required to design the future state business process

### ***Round the Room Introductions***

***Name***

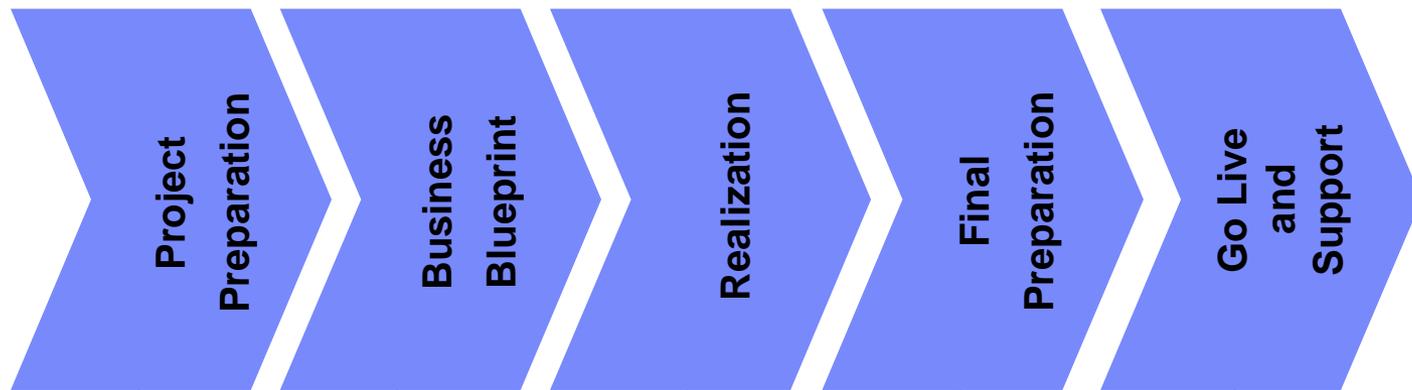
***Position***

***Agency***



# Project Phases

## ■ Five Key Phases



- Strategy & Approach Defined
- Project Team Training

- Business Process Definition
- Development Requirements

- Development & Unit Testing
- Integration Testing
- End-User Training Materials

- User Acceptance
- Technical Testing
- End-User Training
- Conversion

- Go-Live Support
- Performance Tuning



# Project Organization - Functional Teams

## Finance Leads

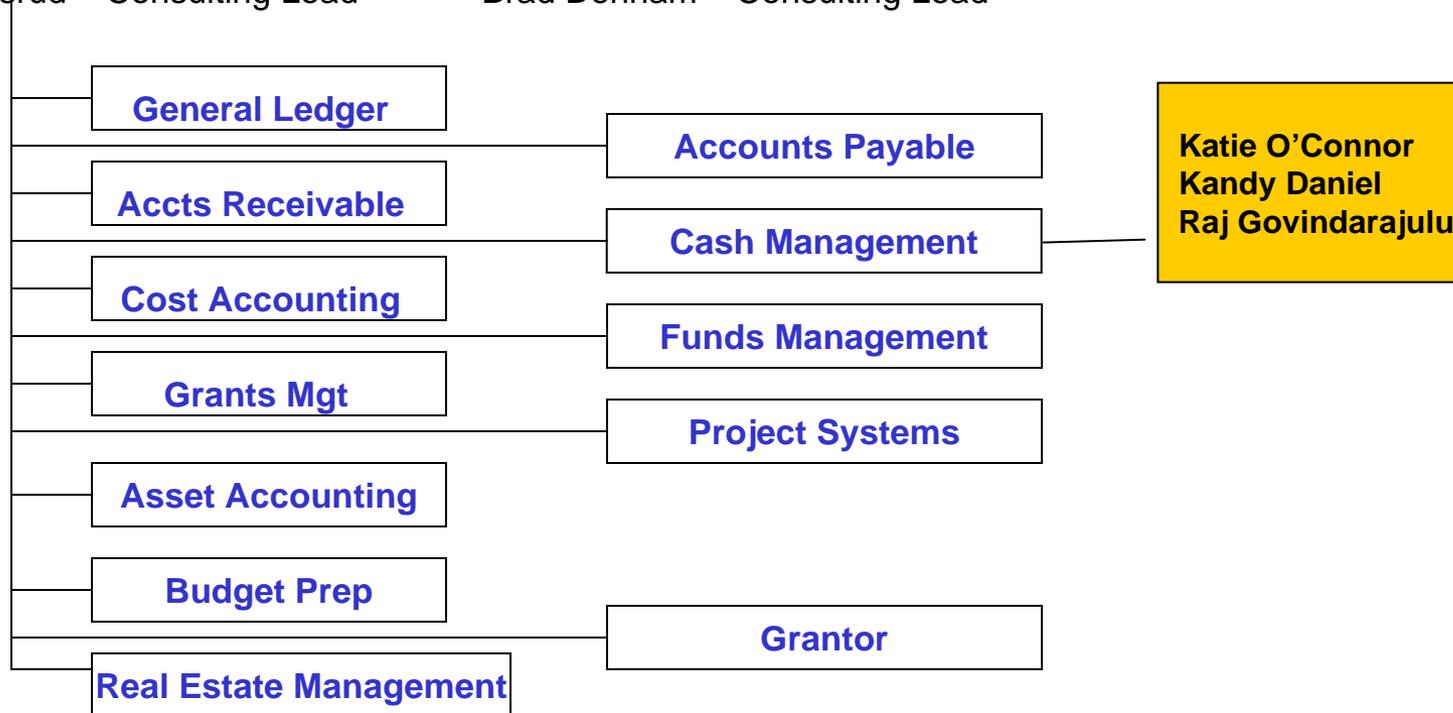
Beverly Hodges – Finance Lead  
Drew Thigpen – Finance Lead  
Mary Ramsrud – Consulting Lead

## Logistics Leads

Belinda Rogers – Logistics Lead  
Jack Ladhur – Logistics Lead  
Brad Denham – Consulting Lead

## Linear Assets Leads

Mark Suarez – Agile Assets Lead  
Charles Pilson – Consulting Lead





# Blueprint Objectives

- Review and discuss the current or As-Is business processes
  - Which helps to drive out the *Business requirements*
  - As well as the *integration points* with other processes
- Define Master Data
  - Address key integration points
  - Support organizational requirements
  - Consistent and appropriate use of data fields
- Define Future or To-Be business processes based on:
  - Best Practices inherent in SAP
  - Intellectual capital from other SAP implementations
  - State business requirements
- Identify development requirements
  - Which could result in the need for a form, report, interface, conversion, enhancement, or workflow (FRICE-W)
- Understand and communicate any organizational impacts / Enterprise Readiness challenges
- Gather system security authorizations and district-wide training requirements



# Cash Management Workshops

Session #	No of days	Schedule	Session Description/Major Business Process Group	Overview of major Session Topics
FI-CM-002	1.5 days	27-Aug & 28-Aug	<b>Bank Accounting</b>	Review the state's current bank reconciliation process and match the standard processes in SAP
FI-CM-001	1 day	16-Oct	<b>Cash Reporting &amp; Forecasting</b>	Current Reports & frequency; standard reports available in SAP; review current liquidity forecast; draw possible scenarios in SAP
FI-CM-003 & 004 & 005	.5 day	30-Oct	<b>Debt &amp; Investment Management &amp; Interest</b>	Review the interfaces of Debt and Investment; determine what GL accounts might be needed for posting
FI-CM-006	1 day	18-Nov	<b>Cash Receipting (Revenue and Interfaces)</b>	Offsite cash collection facilities; Recording cash by Agency Revenue Classification by Agency Interfaces from Agency to Treasury Cash posting
FI-CM-007	1day	19-Nov	<b>Imprest Funds &amp; Replenishments</b>	Imprest Accounts maintained by Agency Replenishments of Cash by Agency Cash Journal Postings



# Work Session Objectives

- Imprest Accounts - Uses by agency
- Defining Cash Journal
- Payment Process
- Replenishment process
- Roles and security requirements
- Action Items & Next Steps



# Process Improvement Opportunities

- Ability to process real-time updates to the general ledger
- Use of account assignment templates, which reduces time when entering data
- Ability to print check at any time
- Balance maintained in the system rather than manually



# Imprest Accounts

## ➤ What are Imprest Accounts?

1. An Imprest expenditure bank account addresses one alternative for handling small dollar purchases and Travel expenditure payments.
2. The Imprest Expenditure Bank Account Record records checks issued and deposits made
3. Since no cash is to be kept on hand in operating an Imprest fund, a checking account at bank is a requirement
4. Imprest Account Bank Records Include
  - Balance forward
  - Issued checks
  - Cancelled checks
  - Reimbursement Requests
5. Records are maintained in a financial system and ability to generate checks from vendor invoice posted from cash journal
6. Reimbursements for the Imprest Accounts are made by using Vendor Accounts.



# Imprest Account

- How Imprest Accounts Operate
  - A separate bank account is established for the Agency
  - Financial Policy of the Treasury will define when and how an Imprest Account can be used
  - A designated amount is deposited to the account by the Treasury
  - The Agency records the invoices to vendor accounts through cash Journal
  - Checks are then created for the invoices from Imprest A/C to pay for small expenditures, Non Employee Travel Expenses & Other payments.
  - To replenish the account, the agency processes a petty cash reimbursement (PV).



# Cash Journal

- SAP provides a tool to enter, maintain, report and post invoices for Petty cash and Imprest account transactions with the help of Cash Journal
- All Imprest Accounts maintained by agencies may remain the same.
- Cash Journal Tool can be used to enter and record the data of expenses and receipts in SAP.
- Cash Journal is a banking related accounting sub-ledger.
- Cash Journal is a single screen transaction
- For Non-Accounting users the complexity can be completely hidden
  - Just select the type of transaction name eg: Supplies
  - Enter the amount and cost items
  - System automatically post the Dr & Cr as predefined behind the screens
- Cash Payments and Cash Receipts are supported by Cash Journal



# Cash Journal - Advantages

Some of the Benefits Include:

- Filling in a 2-3 fields is sufficient to complete a cash transaction
- A screen can be personalized as per the requirement of business and agency
- Multiple cash journal can be maintained for one agency
- Opening and closing balances, as well as total receipts and payments are automatically calculated and displayed.
- Cash Journal Entries and Transaction Receipts can be printed at the touch of a button.
  - Prints all transactions that were posted during the Display Period
  - Prints a receipt for the selected entry
- Status
  - Entry saved posted to the General Ledger
  - Entry saved in the Cash Journal
- Accounting Documents
  - Drills down to the Accounting Documents for entries that have been posted to the General Ledger



## Cash Journal – Uses

- Cash Receipts:
  - Revenue postings
  - Cash receipts from the bank to cash account
- Cash Payments:
  - Recording Expenses
  - Cash Transfers from cash account to the bank
  - Vendor payments
- Postings to One-Time Accounts
- Print receipts and cash journal entries
- Print Checks for Regular Vendor & One time Vendor postings



# Cash Journal – Single Screen

- Cash Journal uses a single screen transaction
  - All data is entered, displayed, changed, deleted and posted in one screen
  - Saving in Cash Journal is similar to parking a document in sub-ledger and not in GL
  - Cash journal is maintained locally when the document is saved
  - System calculates the balances automatically
  - Follow-On documents arising from cash journal can be displayed
  - Printing the cash journal entries posted in any time period is easy – with just a click of a button
  - Saved (parked) cash journal entries can be deleted with authorization of the user exists
  - Deleted documents within a time frame can also be viewed or displayed
  - Before a document is posted, changes can be made in the save mode.



## Cash Journal – Transactions

- Below are standard accounting transaction types and their associated postings:

	<u>Debit</u>	<u>Credit</u>
– Expense (E)	Expense	Cash
– Revenue (R)	Cash	Revenue
– Cash transfer:		
- Cash journal to bank (B)	Bank	Cash
- Bank to cash journal (C)	Cash	Bank
– Accounts receivable (D):		
- Incoming payment	Cash	A/R
– Accounts payable (K):		
- Vendors-outgoing payment	A/P	Cash



# Cash Journal - Objectives

- Data required to maintain a cash journal
- Requirements Gathering at the end of sessions to effectively use a cash journal will include
  - Agency that require Journals
  - Different types of activities at Imprest
  - Identification of Vendor and GL Accounts needed
  - Payment Process for vendors
  - Replenishment process by agency
  - Reports for cash journal





# Cash Journal – Post to One-Time Vendor

- One-Time vendor is used when paying an employee or vendor not existing in the system and would not be used later on. (One-Time Vendor is a functionality where, no master data has to be created, but vendor maintained and paid)

**Enter Vendor Invoice: Company Code 0010**

Tree on | Company Code | Hold | Simulate | Park | Editing options

Transactn Invoice Bal. 0.00

Basic data | Payment | Details | Tax | Notes

Vendor: 100000 SGL Ind:  Invoice date: 11/18/2008 Reference: 12345  
Posting Date: 11/18/2008  
Cross-CC no.:  
Amount: 1000 USD  Calculate tax  
Tax amount:  
Text: One-Time  
Company Code: 0010 ISIS-HR Paid Baton Rouge  
Lot No.:

Address and Bank Data

Vendor: 100000 TEST VENDOR G/L: 6313  
Company Code: 0010 ISIS-HR Paid

Item 1 / Business partner data

Title: Language Key: EN  
Name:   
Street:  
PO Box:  PO w/o no. PO Box PCode:  
City:  Postal Code:  
Country: US Region:  
Bank Key: Bank Country: US  
Bank Account: Control key:  
Reference: Instruction key:  
DME Indicator:  
Tax Number 1: Tax type:  
Tax Number 2: Tax number type:  
Tax Number 3:  Natural person  
Tax Number 4:  Equaliztn tax  
Type of Busines:  Liable for VAT  
Type of Industr: Rep's Name:

0 Items (No entry variant selected)

St...	G/L acct	Short Text	D/C	Amount in doc.curr.	Loc.curr.amount
	2020		Debit	1000	0.00
			Debit		0.00
			Debit		0.00
			Debit		0.00
			Debit		0.00
			Debit		0.00
			Debit		0.00
			Debit		0.00

Commitment item 00100000/P&Y&R/ES does not exist



# Cash Journal - Payments

- Imprest payments are entered into SAP vendor accounts or one-time vendors through cash journal
- In One-Time Vendors all information including vendors name, address, bank and tax information can be entered each time a posting is made
- Once the Invoice is posted onto a vendor account – A manual payment transaction is executed, checks can be created and printed
- These payments can be made on-demand at any time
- Checks can be printed at the agency
- Cost objects are maintained for each expense line item and posted to GL
- Check forms are maintained for each agency
- Payments are made from the Imprest accounts which can be entered manually by the user after the invoice is posted through cash journal



# Cash Journal – Payment Requirements

If a payment needs to be made for vendors/one-time vendors in SAP, then the following has to be maintained

1. All Imprest Bank Accounts has to maintained in SAP
2. Each bank account has to have a Bank GL A/C and a Sub Ledger A/C
3. If same vendors will be used in future – Master data of vendors needs to be maintained
4. Check Lots need to be maintained for each agency with check number ranges
5. Various GL accounts have to be maintained for Expenses and Revenue
6. Payment terms have to be maintained



# Cash Journal – Make Payment

Once the Invoice is posted – Transaction F-58 is used to make the payment for Vendor

## Payment with Printout Header Data

Process open items					
Document Date	11/18/2008	Type	KZ	Company Code	0010
Posting Date	11/18/2008	Period	5	Currency/Rate	USD
Document Number				Translatn Date	
Reference				Cross-CC no.	
Doc.Header Text				Trading part.BA	
Clearing text					
Bank posting details					
Amount		Business Area			
Value date	11/18/2008	Assignment			
Text					
Payee					
Vendor		Company Code	0010		
Customer		Payee			
<input type="checkbox"/> Payment on acct	Prmnt on acct				
Paid items			Additional selections		
<input checked="" type="checkbox"/> Standard OIs			<input checked="" type="radio"/> None		
Special G/L ind			<input type="radio"/> Amount		
			<input type="radio"/> Others		



# Reimburse Imprest Account

- Reimburse Imprest Expenditure Account
  - Determine the Amount to be reimbursed
  - A PV document is generated for the amount to be reimbursed
  - PV document is parked by user
  - PV document is approved and posted by agency approver
  - Agency is maintained as a vendor in the GL
  - Payment is made based on the payment terms and type on the vendor account of agency
  - Agency deposits the check or validates the wire at bank
  - Agency records the reimbursement in the cash journal as cash receipt to the Imprest Account GL
  - This will bring the balance of the cash journal to the specified amount.



# Reimbursement

- Reimbursement In Detail
  - PV is created and posted to the Vendor A/C (Agency)
  - PV is paid from the disbursement account maintained at Treasury
  - A check or EFT will be processed to the Agency
  - Agency will then record the Reimbursement in the cash Journal

Document overview Edit Goto Settings System Help

SAP

Document Overview

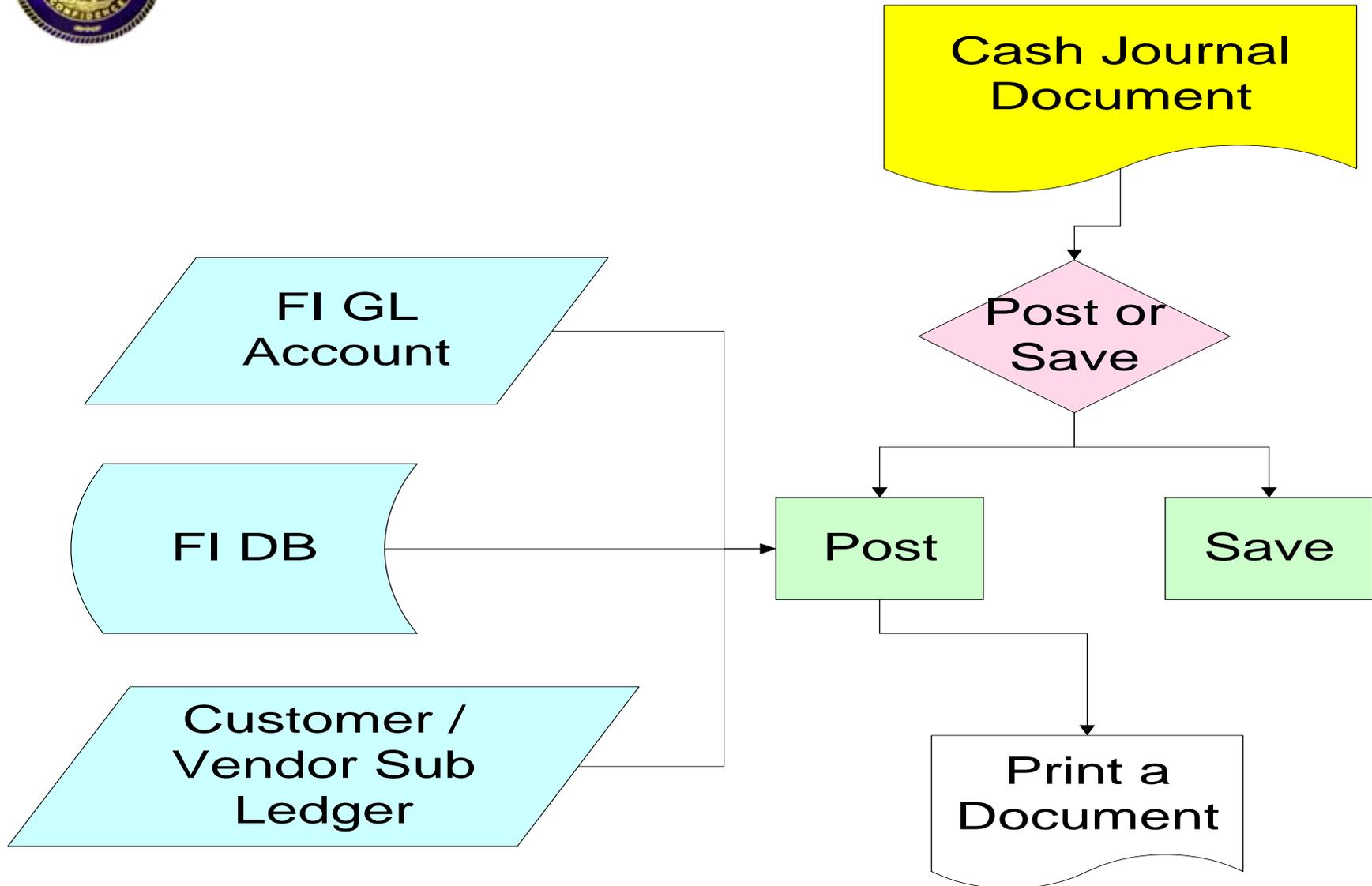
Reset Taxes Park Complete Choose Save

Doc.type: KI ( Imprest Expenditure ) Normal document												
Doc. number			Company code	U0FT	Fiscal year	2003						
Doc. date	31.01.2003		Posting date	31.01.2003		Period	09					
Ref.doc.	REIMB JAN/03											
Doc.currency	CAD											
Doc.head.text	J Doe Reimb Jan/03											

Ita	Account	Account short text	PK	Amount	CoCd	Tx	BA	Cost_ctr	Order	Funds_ctr	Fund	Cost item	Assign	Text
1	720181	J Doe	31	100.00-	U0FT	16	1000					PAYABLE		J Doe imprest bank account reimb - Ja
2	835000	Services:general	40	95.62	U0FT	16	1000	18888		188888		SERVICES		J Doe imprest bank account reimb - Ja
3	260001	GST:Receiv & Payable	40	4.38	U0FT	16				101286		TAXES		



# Cash Journal - Activity Flow





# Cash Journal - Postings & Reports

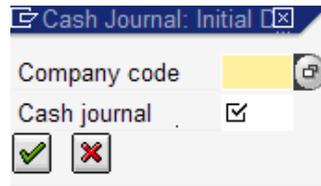
- To post a cash journal transaction: FBCJ
  - Switch to the relevant transaction type:
    - Cash receipts,
    - Cash payments,
  - Choose a business transaction (Already created account assignment)
  - Enter all required data (amount, Cost Centers, Vendor etc.)
  - Save or Post your transaction,
  - Print cash journal document



# Cash Journal: Demo

Posting into a Cash Journal is shown in the following slides  
Cash Journal Transaction in SAP: FBCJ

1. Company Code is Maintained – This will always be populated Initially after the first time



2. Cash Journal is selected from the drop down box and any one CJ that we have already defined is selected

CJ Numb ...	Name	Crcy	CJ Clos ...	Check S ...
4570	MANAGEMENT	USD	<input type="checkbox"/>	
4600	PHARMACY	USD	<input type="checkbox"/>	
4550	HEALTH SCIENCES	USD	<input type="checkbox"/>	
4340	LIBRARIES	USD	<input type="checkbox"/>	
4350	CONFERENCES	USD	<input type="checkbox"/>	
4360	TRAVEL	USD	<input type="checkbox"/>	
4370	DEVELOPMENT	USD	<input type="checkbox"/>	
4380	FAMILY & SOCIAL SERVICES	USD	<input type="checkbox"/>	
4510	AGRICULTURE	USD	<input type="checkbox"/>	
4520	CONSUMER & FAMILY SCIENCE	USD	<input type="checkbox"/>	
4530	EDUCATION	USD	<input type="checkbox"/>	
4340	LIBRARIES	USD	<input type="checkbox"/>	

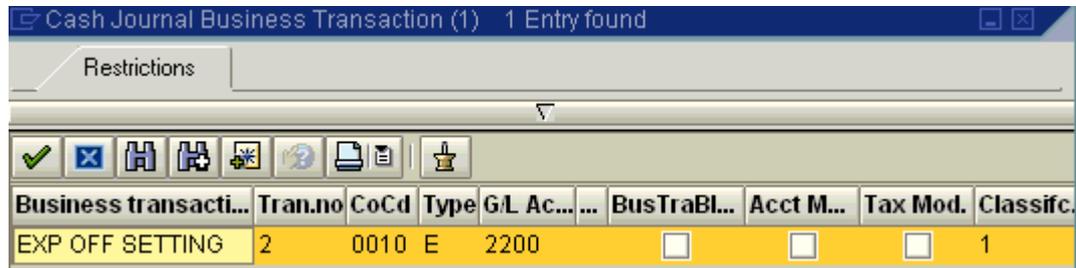




# Cash Journal: Demo

Relevant Business Transaction is used

1. Expense Offsetting
2. Non employee payment



The screenshot shows a software window titled "Cash Journal Business Transaction (1) 1 Entry found". Below the title bar is a "Restrictions" field. A toolbar contains icons for checkmark, close, home, refresh, print, and help. Below the toolbar is a table with the following data:

Business transacti...	Tran.no	CoCd	Type	GL Ac...	...	BusTraBl...	Acct M...	Tax Mod.	Classific.
EXP OFF SETTING	2	0010	E	2200		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1



# Cash Journal: Demo

All required data is entered for cash receipts

1. Amount
2. Cost Object
3. Fund
4. Commitment Item: Cr side of GL Entry

The screenshot displays the SAP Cash Journal interface for company code 0010. The window title is "Cash Journal CJ1 Company Code 0010". The menu bar includes "Cash Journal", "Edit", "Goto", "Extras", "System", and "Help". The toolbar contains icons for Save, Post, Print cash journal, Change cash journal, and Editing Options.

**Data selection:**  
Display period: 01/04/2007 - 11/04/2008  
Buttons: Today, This week, Current period  
Cash journal: CJ STATE OF LA  
Company code: ISIS-HR Paid

**Balance display for display period:**

Opening balance	0.00	USD		
+ Total cash receipts	100.00	USD	Number:	1
+ Total check receipts	0.00	USD	Number:	0
- Total cash payments	0.00	USD	Number:	0
= Closing balance	100.00	USD		
Cash thereof	100.00	USD		

**Cash receipts tab:**

Business transaction	Amount	Do...	Split	Sales Order	SOR...	Sales ...	FM ...	Sub-Object	Commitme...	Reporting	Grant	Earmarked...	D...	Pe
RENU OFF SETTING	100.00						0010	6732101	4040		NOT RELEVANT			

Bottom toolbar: Save sel., Post sel., Receipt, Follow-on doc..







## Reverse a Cash Journal Entry

- Reversing and deleting a cash journal entry is possible
  - Document with cash movement, posted and updated in the system cannot be deleted
  - A Reverse document has to be posted as offset
  - All saved documents that are not posted, can be deleted by just selecting it and pressing delete.



# Enterprise Readiness Challenges

- SME & end-user education on GL account numbers, structure and proper usage.
- Creating Invoices and making payments
- Acceptance and Change Management of the new To-Be Process.



## Next Steps

- Prepare and send out meeting minutes to invitees.
- Draft Design Document is prepared.
- Follow up on action items identified during the workshop.
- Schedule off-line meeting (s) to discuss areas of special concern
- Plan follow on workshops, as required.
- Plan validation workshop.
- Ensure all to-do's are appropriately documented



# Questions?





Thank You  
for  
Your Participation!