

Workday Foundation Data Model (FDM)

*Blueprint 2.0 Draft



Contents

Objectives	3
Overview	8
Future State	25
Transition	36
Governance	41
Data Model Process Summary	51
Next Steps	55



Workday FDM Blueprint

Objectives





Project Goals

The following high level goals have been set for the project, often referred to as the “Four E’s”

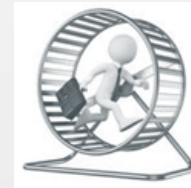
- Eliminate business continuity failure and compliance risk associated with continued operation of legacy HR, Payroll and Finance processes and systems
- Deploy modern, effective, and efficient human resource, payroll, and finance services based on industry best practices to support the growing academic and interdisciplinary research enterprise
- Replace inefficient paper based processes with intuitive online workflow on multiple devices
- Enable real time analytics to support daily operations of the university at all levels
- Leapfrog traditional systems deployed in the last 20 years to a modern and nimble software service focused on business process design
- Empower users to perform critical work in a modern way on the device of their choice
- Work in a spirit of shared governance and open communication to effectively foster change



Ensure
Continuity of
university
operations



Embrace
Modern, scalable
and standardized
processes to
support growth



End
Costly inefficient
and ineffective
processes



Encourage
Data enabled
decision making
and budget
management



Workday FDM Pre- Planning Objectives

The purpose of this document is to define the initial blueprint for WSU's new Chart of Accounts (CoA). The new CoA in Workday is called the Foundation Data Model (FDM). This document includes an evaluation of Workday dimensions to report on the future cost center structure along with considering the complexities of multiple campuses and a single position expensed across multiple campuses.

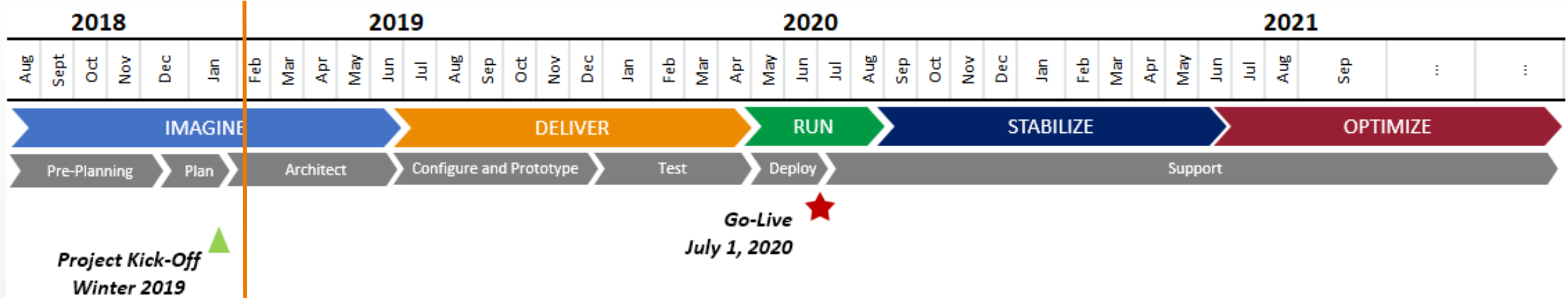
The FDM Blueprint also includes a high level identification and prioritization of key data elements needed for operations, costing, reporting and analysis that are currently missing in WSU's legacy system. This Blueprint will be used as the baseline for the upcoming Architect stage and inform how workflows will operate and how delivered Workday reports and dashboards will reflect WSU's new data model structure.

- ✓ Understand delivered Workday FDM dimensions and definitions
- ✓ Identify future state FDM dimensions to facilitate financial and operational reporting across the institution, including the ability to produce financial statements for each campus, and the entire University
- ✓ Document definitions for each proposed reporting dimension and an example along with proposed naming conventions
- ✓ Initial draft on how to transition to Workday FDM using translator or converter tool



Overall Project Time Line

We are here

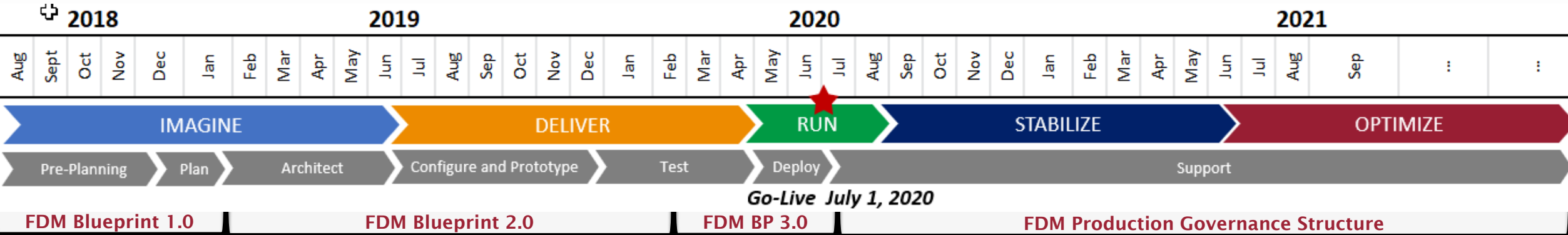


- Understand FDM concepts
- Identify reporting requirements
- Design FDM
- Understand FDM design impacts within functional areas
- Confirm design
- Fine tune worktag values
- End users become familiar with FDM
- Manage FDM changes after go-live



Evolution of the FDM Blueprint

The FDM Blueprint serves as a living document during the implementation and is meant to be updated throughout the course of the Modernization Initiative project and will transition to the FDM production governance structure post go-live.



FDM Blueprint 1.0

Purpose:

- Share initial draft of FDM to allow for Architect workshop activities to begin
- Use as an education tool for project team members and institution SMEs working on FDM builds

Contents:

- Initial drafts of FDM structure and worktag definitions
- Information illustrating how FDM functions
- FDM governance highlights

Targeted Audiences:

- Modernization project team members
- University SMEs working closely with Modernization project team

FDM Blueprint 2.0

Purpose:

- Used by the Functional and Technical teams to validate tenant build targets
- Used to document a refined FDM that can be leveraged by Change Management team to educate a broader audience on FDM fundamentals, design, and governance

Contents:

- Refined FDM structure and worktag definitions based on tenant prototyping
- Information illustrating how FDM functions
- Initial draft of FDM governance structure

Targeted Audiences:

- Modernization project team members
- University SMEs working closely with Modernization project team
- Area Finance Officers (AFO) and targeted leaders

FDM Blueprint 3.0

Purpose:

- Used to document the FDM design and governance structure that will be used through go-live
- Educate members of the University on the FDM through remainder of implementation and new hires post go-live
- Transitions into FDM production governance structure

Contents:

- FDM structure and worktag definitions to be used from go-live onward
- Information illustrating how FDM functions
- FDM governance structure to be used through remainder of the implementation and post go-live

Targeted Audiences:

- Modernization project team members
- Non-project team members participating in training activities
- New hires post go-live



Workday FDM Blueprint

Overview



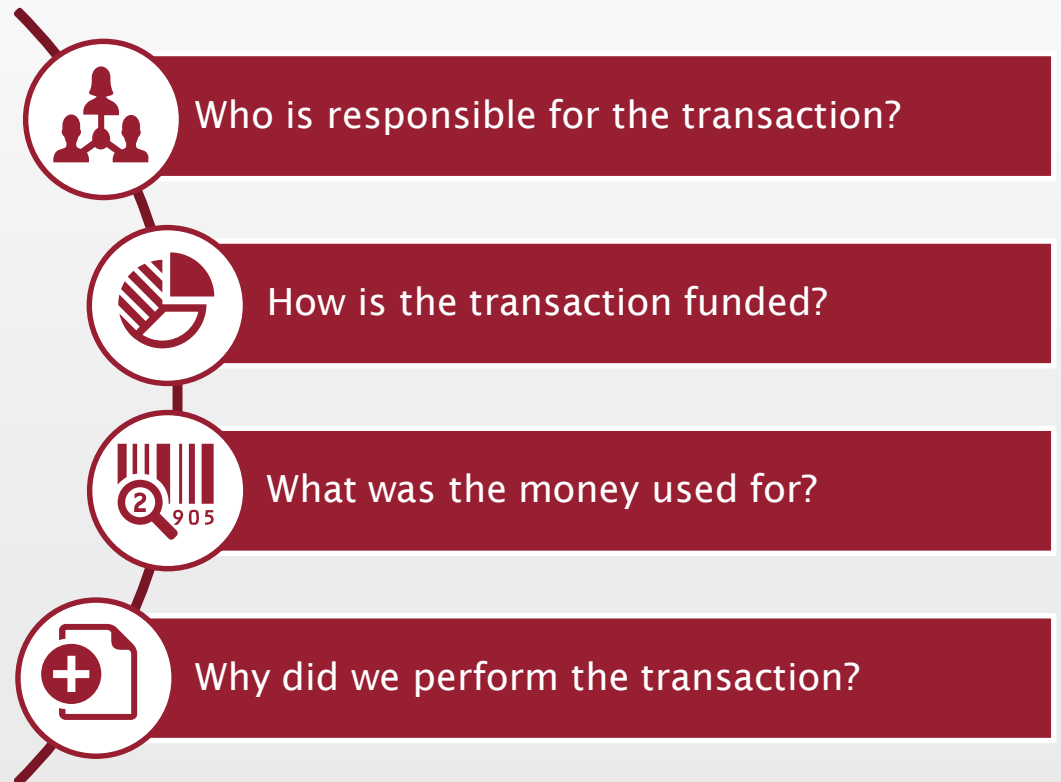


What is the Foundation Data Model (FDM)?

The goal of the FDM is to architect key data elements across the Workday platform, including financials, human resources, and payroll, in order to establish a foundation for Workday transaction processing and reporting.

- The FDM is a multidimensional structure where all transactions are impacted by the FDM
- Impacts all of Workday, including HCM, Payroll, and Student
- More than ledger accounts, includes organizations, and worktags
- A flexible way to define dimensions that are relevant to different areas of the business
- Allow users to tag their transactions by business dimensions that are relevant to each area of the institution
- A framework to support all financial and management reporting across the enterprise

Designed to answer these questions:





What is a Worktag?

Worktags are **keywords** or **dimensions** that you can **assign to transactions** and **supporting data** to make their business purposes clear and establish common **relationships** through classification. Classification provides a **multidimensional** view of your business operations that you can **act upon**.





Worktags Tagged on a Business Event

Workday redefines the concept of a code block by allowing users to tag their transactions by business dimensions that are relevant to each area of the institution, thus creating enriched data to satisfy financial reporting requirements as well as management and operational reporting needs, while moving away from the traditional code block structure.



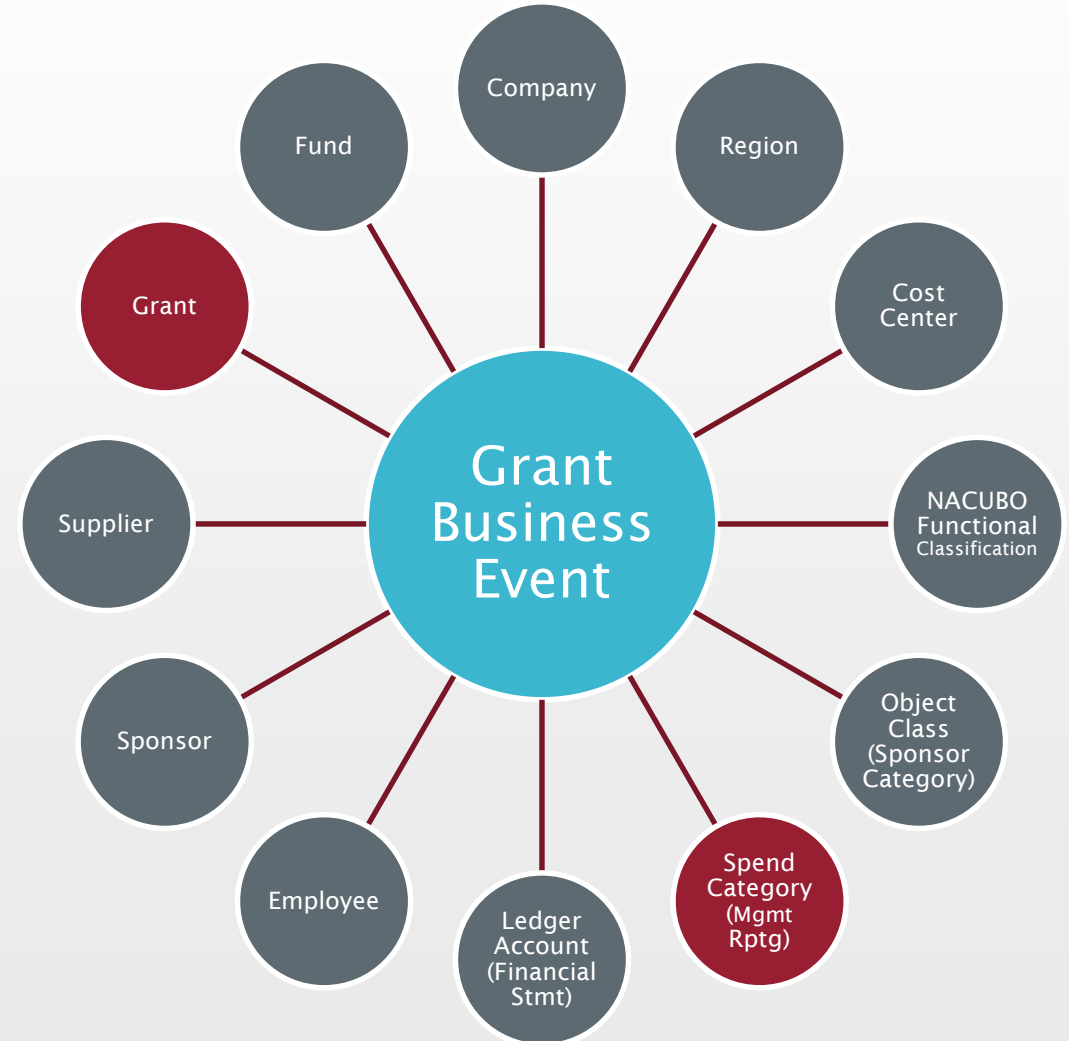
Ability to report on any (or multiple) worktags



Minimize ledger accounts by utilizing worktags to provide detail



Creates flexibility by utilizing combination of worktags





Workday Transaction Processing

Operational Transactions (i.e., sub- ledgers)

- Capture information required for posting, including FDM dimensions
- Often enabled by business process events (i.e., workflow)
- Examples
 - Requisition
 - Purchase Order
 - Supplier Invoice
 - Spend Authorization
 - Expense Report
 - Settlement
 - Ad Hoc Payment
 - Ad Hoc Bank Transaction
 - Internal Service Delivery
 - Payroll

Account
Posting Rules

Mapping from
Worktags and
related attributes
to Ledger Accounts

Ledgers (Requisitions, Encumbrances, Actuals)

Operational Journals

- Originate from operational transactions
- Triggered by business process completion
- Additionally, can be generated in “reserved” status by budget check for select transactions

Accounting Journals

- Direct entry by users (manual journals)
- Uploaded via integrations



Key Leadership Decision: Campus Dimension

Currently, a balance sheet is only produced by tax ID for the University and there has been requests to provided full financial statements by each campus. Workday provides functionality to produce “balanced” financials statements by tax ID (i.e., Washington State University), each campus, and fund type but there are considerations to evaluate. The Modernization Team concluded that each Campus will be represented using the Region delivered organization worktag with optional worktag balancing enabled to produce balance sheets by Campus.

Requirement	Campus = Company	Campus = Region	Configuration Considerations
Ability to produce a full set of Financials Statements, including Balance Sheet by each campus	Yes	Yes	<ul style="list-style-type: none"> Single Legal Entity (SLE): Institutions can create the single legal entity company relationship to produce financial and managerial reports and process U.S. payroll for the legal entity and its related companies. A single legal entity company relationship establishes a one-to-many relationship between one managing company (designated as legal entity) and related companies. Optional Worktag Balancing: ability to produce financial statements that will be balanced by the Region worktag to represent each campus and add additional configuration to require on transactions
Ability to charge multiple campuses at the distribution line level on operational transactions	Partial	Yes	<ul style="list-style-type: none"> Current Workday product gaps with intercompany entries at the distribution line level <ul style="list-style-type: none"> Payroll: targeted to be fixed by WD32 (Spring 2019) Expense Reports: not targeted but development has began Spend Authorizations: not targeted Requisitions: targeted to be fixed by WD32 (Spring 2019)
Ability to produce tax related report by tax ID (e.g., 1099’s, payroll) by the University	Yes	Yes	<ul style="list-style-type: none"> SLE: Related companies in the SLE relationship are separate companies, even when they share the same FEIN. <ul style="list-style-type: none"> Workday processes payroll separately for each company in the relationship. Workday doesn't calculate Fair Labor Standards Act (FLSA) rates for workers based on hours worked in multiple companies in the SLE relationship. Workday calculates FLSA by individual company. When you run the 1099 MISC report for an SLE company, the report includes transactions from the SLE company and its related companies
Ability to identify who can initiate, approve, and view transactions by campus	Yes	Yes	<ul style="list-style-type: none"> Organization Level Security can be configured to allow more granular control over initiating and viewing data at levels lower than company
Ability to easily disposition employees, grants, and balance sheet balances by Campus for conversion translation activities and ongoing operational transactions	TBD	TBD	<ul style="list-style-type: none"> Employees: work effort to assign each employee to a specific campus, separate from labor/payroll distribution, default organizations assignment for employees Grants: are all awards (notice of award or award contract) assigned to a specific campus? Balance Sheet Balances: accounting transformation effort to assign cash, assets, debt, etc. by each campus?



Open Workday Intercompany Product Gaps

Here is a list of current product gaps when charging multiple companies at the distribution line level for these types of operational transactions. These gaps were evaluated when determining the Workday dimension to produce balance sheets by Campus.

- **Payroll Distributions** – new worktag “Charge-To Company” will allow payroll expenditures to be charged to multiple companies for workers with one position split across companies
 - Brainstorm link <https://community.workday.com/brainstorms/121008>
 - Status: Workday is targeted to close this gap with Grant related expenditures with Workday 32 (Spring 2019)
- **Expense Reports** – intercompany expenses on one expense report at the line level
 - Brainstorm link <https://community.workday.com/brainstorms/91923>
 - Status: Workday announced on 10/8/2018 that they have started scoping and design work for this feature; release TBD
- **Spend Authorizations** – submit one spend authorization with multiple companies instead of one spend authorization per company
 - Brainstorm link <https://community.workday.com/brainstorms/155160>
 - Status: Workday has not identified when work on this feature will begin; release TBD
- **Requisitions** – ability to have multiple companies on a single requisition, instead of having to create separate requisitions for an order that has multiple companies in its distribution
 - Brainstorm link <https://community.workday.com/node/44128>
 - Status: This feature is planned for Workday 32 (Spring 2019)



Additional Options to Meet Financial Statement Requirements

Worktag Balancing

- > Company is always balanced in Workday
- > Only one additional balancing (primary) worktag is allowed and identified in **blue**:
 - Business Unit
 - Cost Center
 - **Fund** - will identify this organization as the balancing worktag and typical design decision for higher education/public sector Workday customers
 - Region
 - Custom Organization
- > Configuration is permanent and cannot be disabled once turned on
- > All transactions will balance at this level
- > Balancing worktag will generally inherit to offsetting entries

Optional Worktag Balancing

- > Fully balanced journal with optional balancing worktag
- > System generated journal lines will inherit the optional balancing worktag
- > Financial statement will be balanced by optional balancing worktag
- > Once enabled these balancing worktags are optional on a transaction
- > Up to 5 worktag types can be selected from the following and TBD will be identified (in **blue**):
 - Business Unit - Project
 - Cost Center - Program
 - Fund - **Region**
 - Gift - Custom Organization
 - Grant - Custom Worktag
 - Location - Custom Worktag

Roll Forward Retained Earnings

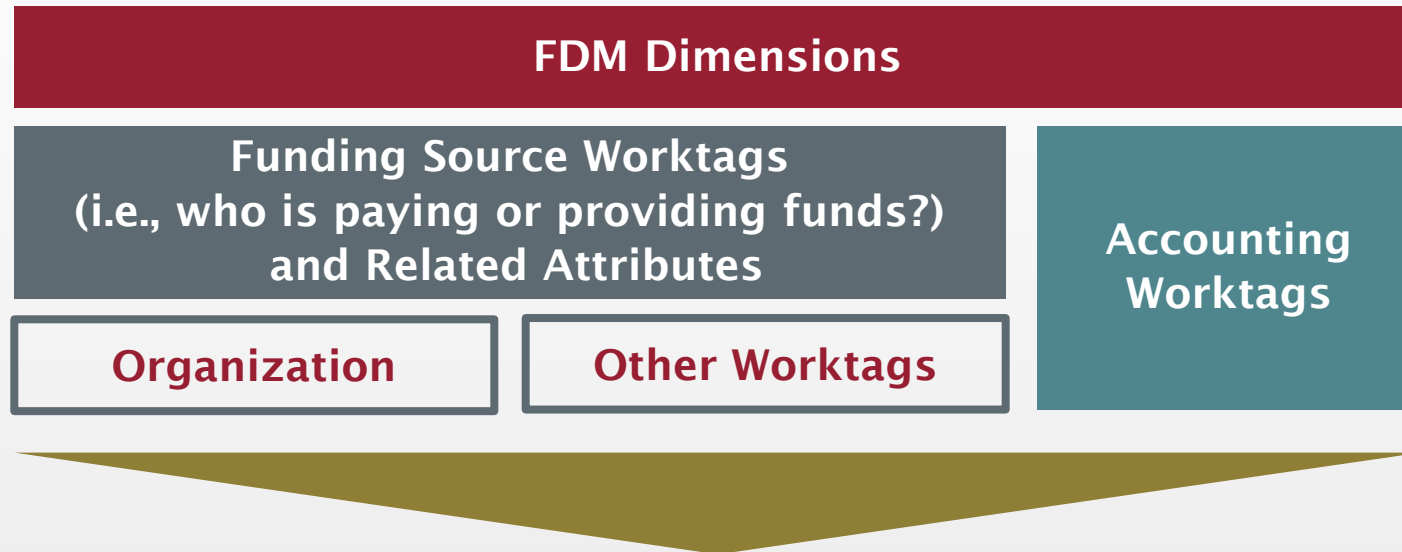
- > Workday enables identified worktag types to be attached to retained earnings balances
- > Differing from worktag balancing, balance sheets may not be constructed based on these worktags
- > Allows for carrying-forward and reporting fund balances (equity) year-over-year
- > Once enabled, these worktags are optional on a transaction
- > Up to 10 worktag types can be selected from the following and TBD will be identified (in **blue**):
 - Business Unit - **Project**
 - **Cost Center** - **Program**
 - Fund - Region
 - **Gift** - Custom Organization
 - **Grant** - Custom Organization
 - Location - Custom Worktag



Workday FDM Reporting Dimensions Overview

Worktags facilitate managerial, operational, and industry reporting by classifying transactions.

- **Organization Worktags** are building blocks for managing information that are both financial and non-financial; can be organized into **hierarchies** and **roles** and **security** can be assigned
- **Other Worktags** provide quick way to capture additional information that can be used for reporting

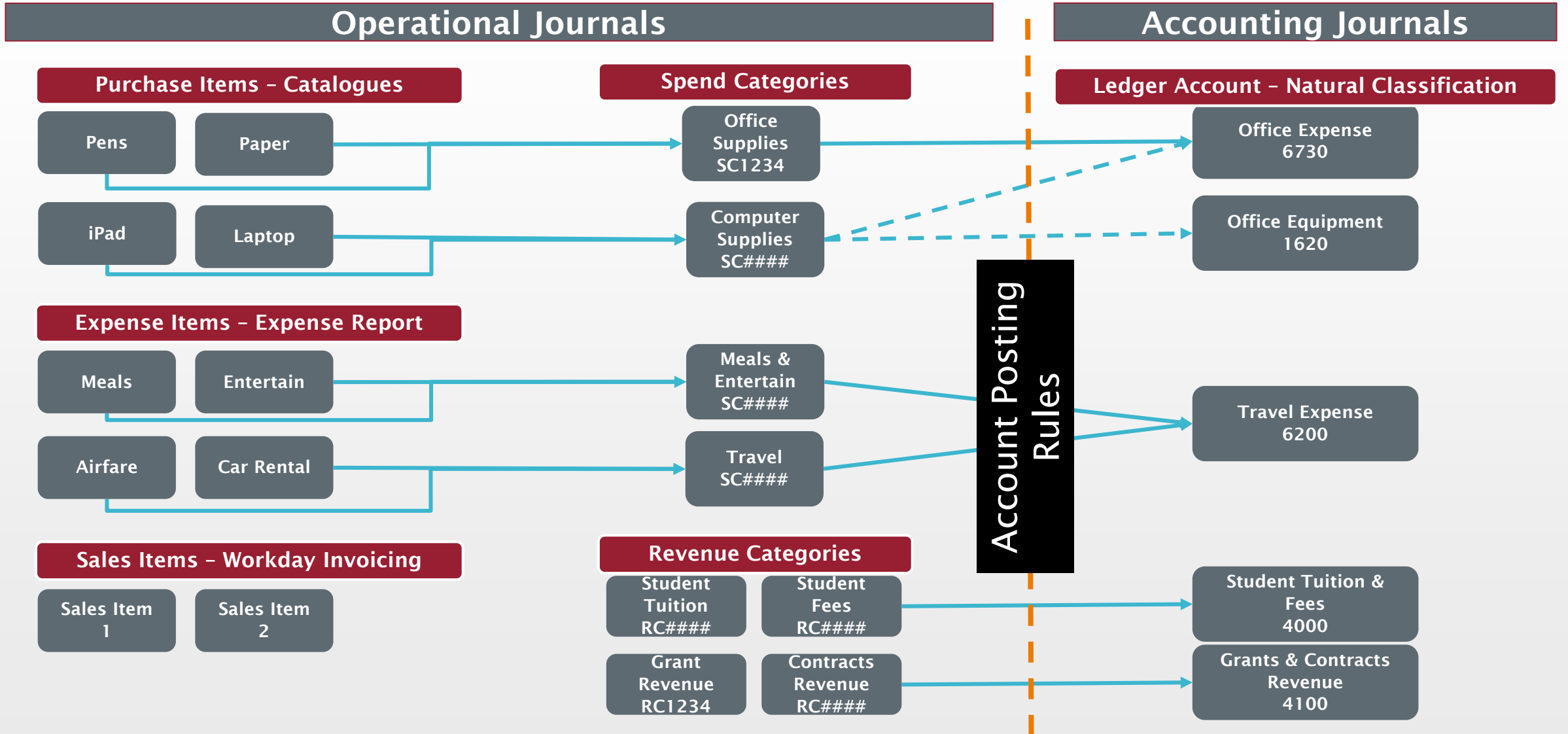


Describes the nature of the transaction to support all financial and management reporting across the enterprise

Allow users to tag their transactions by business dimensions that are relevant to each area of the University while providing a framework to support financial and management reporting across WSU.



FDM Reporting Dimensions – Accounting Worktags





Worktag Type Descriptions

Type	Description
Organizations	Definable worktags where people are assigned and used on financial transactions <ul style="list-style-type: none">• People often “belong” to them• Role assignments for reporting security and business process approval• Are hierarchical in nature
Accounting Worktags	Describes the nature of the transaction to support all financial and management reporting across the enterprise <ul style="list-style-type: none">• Ledger Account – defines accounting treatment of transaction and used for financial statements• Spend/Revenue Category – aligns with item being exposed and used during operational transactions and reports; allows for sub-classification of ledger accounts to streamline CoA with fewer revenue/expenditure accounts• Purchase Item – represents SKU level detail of the purchase and used during procurement and operational reports• Expense Item – define the transactions workers use in expense reports (e.g. airlines, hotels, etc.).• Object Class – ability to categorize grant related expenditures captured in your internal financial spend categories and pay components using the terms defined by the sponsor• Pay Group – represents a worker’s earnings and deductions on payroll transactions
Derived Worktags	Attributes about an organization or worktag that can be derived in reporting based on the relationship (e.g., sponsor award contract or award info for a grant or where did a worker travel from/to and what airline for an expense reports)
Reference Objects (worktags)	inherent on the operational transaction itself and carry through to the accounting and can vary based on the type of operational transaction (e.g., suppliers and tax info on a supplier invoice, employees on expense reports, sponsors/customers on AR, deduction recipients on payroll deductions)
Custom Object	Ability to extend Workday business objects by creating custom object definitions based on the business object, and adding custom fields. Custom objects enable you to record additional data for which there’s no Workday-delivered field. <ul style="list-style-type: none">• Business objects are used to store data in Workday (such as organizations or workers). A business object has fields and instances, which are analogous to rows and columns in a spreadsheet.
Custom Worktag	Optimal when all you need is a simple tag for financial transactions that do not require any capabilities around roll-ups, security assignment, or assigning to workers. As of WD31, you can define up to 15 custom worktag types, which are available in financial, payroll, and time tracking transactions.



Proposed Workday Companies and Hierarchies

Company is required for every operational transaction (i.e., payroll, purchases, etc.) and accounting journal in Workday. Tax reporting (i.e., 1099, 1042-S), financial statements, and security is performed for this dimension.



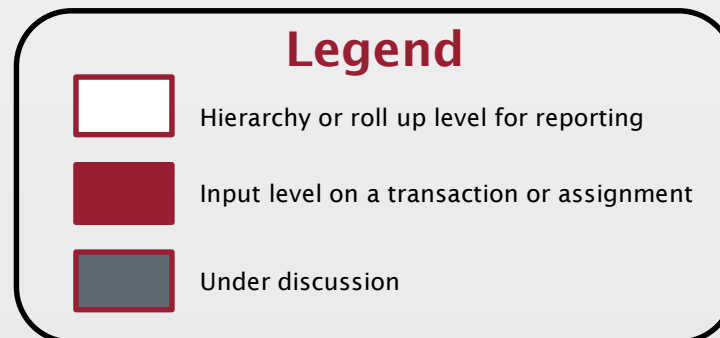
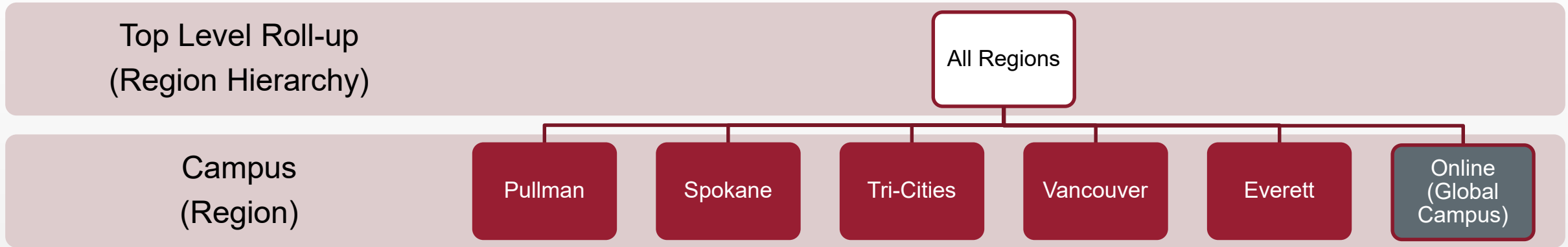
Legend

Total Company Hierarchy	Top-level Company Hierarchy (i.e., total rollup of operating and non-Workday companies for consolidated reporting)
Operating Company	Workday Operational Companies (i.e., ability to create operational journals for: Payroll, Procurement, Expense Reports, Invoices, Settlement, etc.)



Proposed Region Illustration

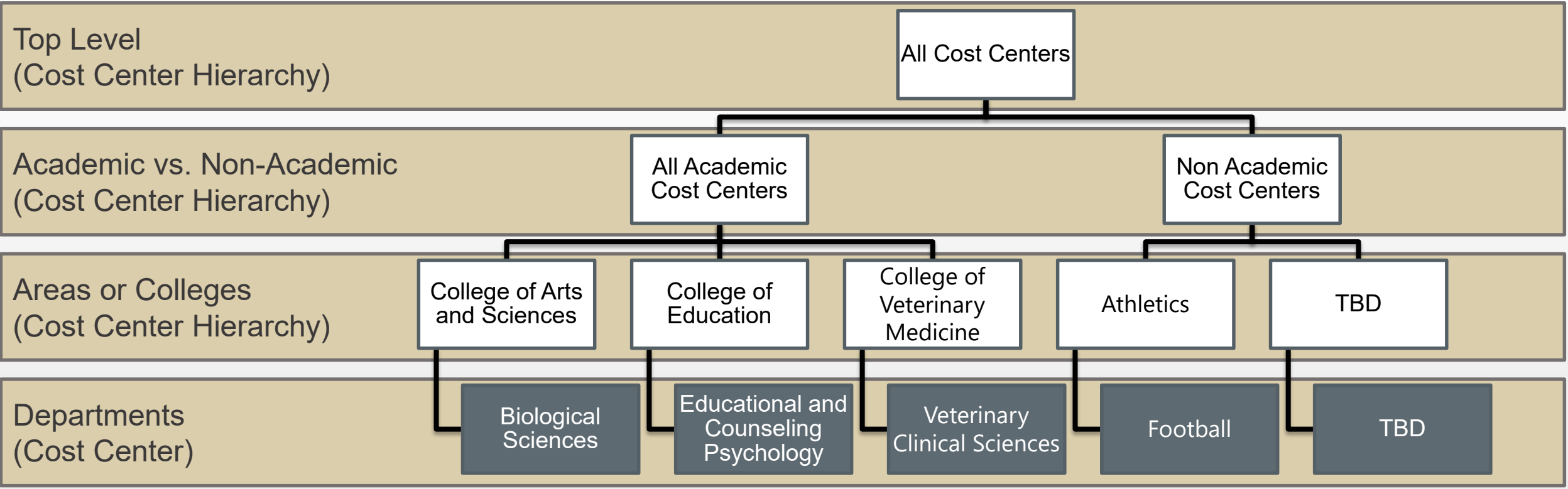
Workday Regions will represent each campus and provide the ability to produce financial statements that will be balanced by this worktag (i.e., campus).







Proposed Cost Center Illustration

Workday Cost Centers are departments are departments within the areas or colleges where activities are tracked to report on budget vs. actual for revenues and expenditures (i.e., income statement).



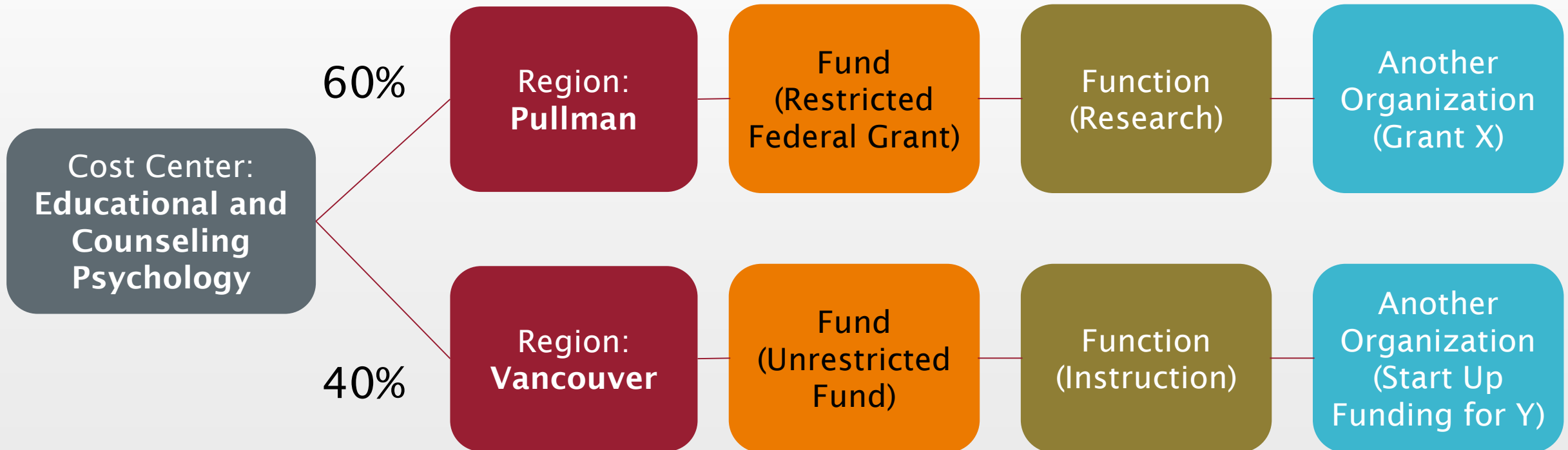
Legend

-  Hierarchy or roll up level for reporting
-  Input level on a transaction or assignment



Proposed Costing Illustration

A faculty member from the Educational and Counseling Psychology department teaches a Pullman and Vancouver and would like to split labor costs between each campus and report by Campus, College, and Department.





Foundational Worktag Data Elements

The Foundation Data Model (FDM) is a multidimensional structure where all transactions (financial, human resources, and payroll) are impacted by the FDM.

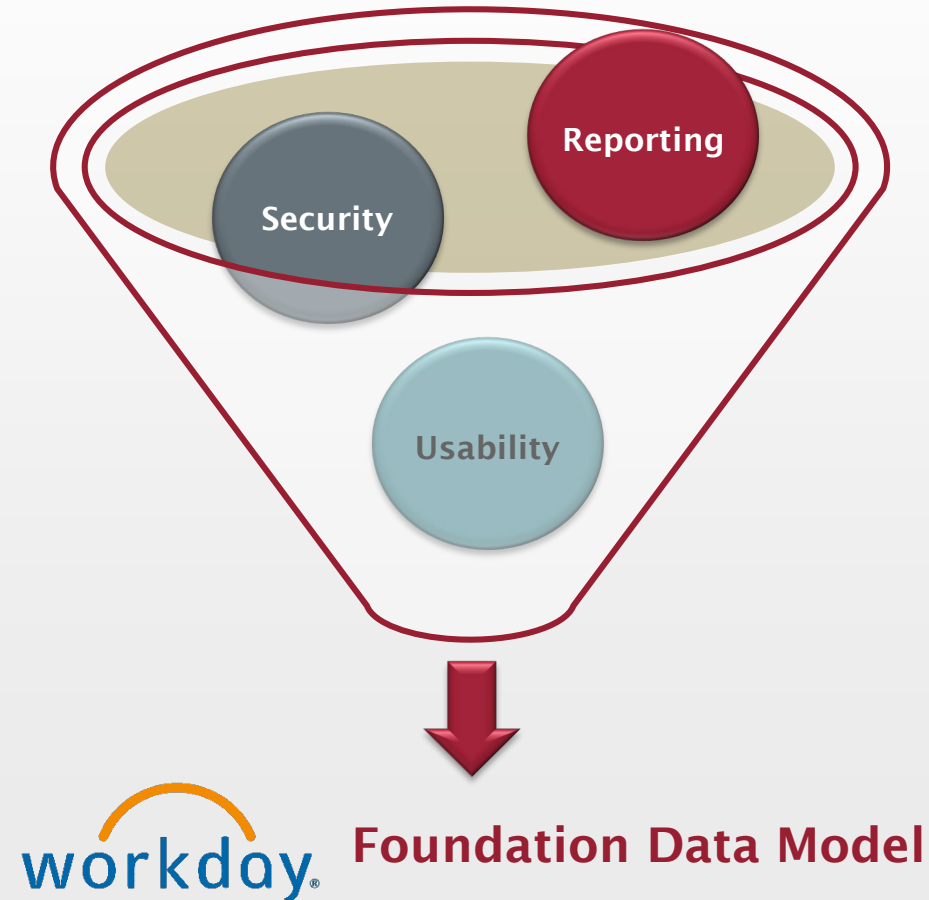
Financials	HCM	Payroll
<ul style="list-style-type: none">• Company• Cost Center• Fund• Program• Project• Gift• Grant• Location• Ledger Account• Spend Category• Revenue Category	<ul style="list-style-type: none">• Supervisory Organization• Location• Job Profile• Job Family• ID Types• Academic Unit	<ul style="list-style-type: none">• Company• Pay Group• Pay Rate Types• Period Schedule• Location

This worktag list is an example for each area and highlights the flexibility of the data model to define dimensions which are relevant to different areas of the business.



Design with the End in Mind

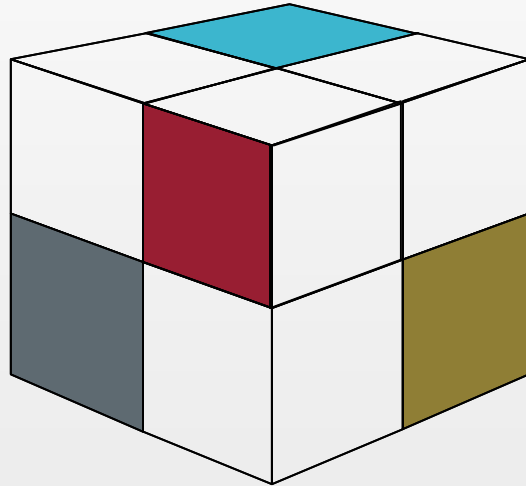
There are three competing goals that factor into designing your Workday FDM.





Workday FDM Blueprint

Creating your new data model





Future State FDM Dimensions

These delivered and custom dimensions have been identified to create WSU operational and accounting transactions to meet internal and external reporting requirements.

Delivered Organizations	Delivered Accounting Worktags	Custom Organizations (max 10)	Custom Worktags (max 15)	Under Discussion*
<ul style="list-style-type: none">• Company• Cost Center• Fund• Gift• Grant• Location• Program• Project• Region	<ul style="list-style-type: none">• Expense Item• Ledger Account• Purchase Item• Revenue Category• Spend Category	<ul style="list-style-type: none">• NACUBO Functional Classification	<ul style="list-style-type: none">• Cash Flow Code	<ul style="list-style-type: none">• Agency (custom organization)• Assignee (custom organization)• Debt Vehicle (custom worktag)• Designated (custom organization)• Foreign/Domestic Travel (custom worktag)• Loan Receivable (custom organization)

* These worktags under discussion will be evaluated as legacy structure is mapped to the various Workday dimensions



Workday Delivered Organizations Types

Organization Type	Payroll Costing Eligible	Proposed ID Naming Convention	Proposed Description Naming Convention	Legacy Example	Description
Academic Unit		AU#####	TBD	TBD	Will be defined by the HCM team during Architect. Provides the basis to manage faculty appointments in education.
Academic Unit Hierarchy		AUH###	TBD	TBD	Will be defined by the HCM team during Architect. Roll up or grouping of academic units that typically reflects a structure of a college or university and will be defined by the HCM team
Committee		CM#####	TBD	TBD	Will be defined by the HCM team during Architect. Tracks various types of committees from corporate to department levels.
Company		10 or WSU	Legal entity name (e.g., Washington State University, Washington State University Foundation)	TBD	The primary organization type for Workday Financial Management. All financial transactions are for a company, and most financial reports are run in the context of a company, such as balance sheets and income statements. Workday recommends that you create a separate company for each internal entity with a separate tax ID.
Company Hierarchy		TBD	Total Operating Companies, Total Consolidation Companies, All WSU	N/A	Hierarchy for companies to enable consolidated reporting out of Workday



Workday Delivered Organizations Types (cont.)

Organization Type	Payroll Costing Eligible	Proposed ID Naming Convention	Proposed Description Naming Convention	Legacy Example	Description
Cost Center	Yes	CC#####	Integrative Physiology and Neuroscience or Social and Economic Sciences Research Center	Dept #3420 or Dept #3100	Departments within the areas or colleges where activities are tracked to report on budget vs. actual for revenues and expenditures
Cost Center Hierarchy		CCH###	College of Veterinary Medicine or Office of Research	Area #11 or Area #35	Represents a rollup of areas or colleges to report on budget vs actual for revenues and expenditures
Fund	Yes	FD###	Unrestricted Fund or Restricted Federal Grant Fund	001xx or 14501	Designates funding categorization. This is a balancing worktag and will be used to separate general, designated, auxiliary, and loan funds
Fund Hierarchy		FDH###	With Donor Restrictions or Sponsor Fund Hierarchy	TBD	Hierarchy for funds (e.g., Without Donor Restrictions, With Donor Restrictions, common/general, sponsor, gift (endowment corpus, spendable, auxiliaries, plant)
Gift	Yes	GF#####	Allen Annette M Endowed Scholarship or Boeing Science/Math Education Distinguished Professorship	2705-0074 or 2705-1105	External source of funds typically with usage restrictions (temporary or permanent) and requiring some level of reporting. Gifts do not have grant reporting or letter of credit drawdown requirements.
Gift Hierarchy		GFH###	All Endowed Gifts	TBD	Hierarchy for gifts for reporting
Grant	Yes	GR#####	Ritter Pennington RO1DK108765S001 Astrocytes, Glucose Detection & Counter-Red	2550-0634	Represents specific funding source provided by an outside sponsor (federal, state, local) with detailed reporting requirements



Workday Delivered Organizations Types (cont.)

Organization Type	Payroll Costing Eligible	Proposed ID Naming Convention	Proposed Description Naming Convention	Legacy Example	Description
Grant Hierarchy		GRH###	All Active Grants	TBD	Hierarchy for grants for reporting
Location	Yes	TBD	Admin Staff Office	27-100-001	Will be defined by the HCM and FIN teams based on requirements during Architect; including integration with Facilities Locations are an attribute associated with a worker in a position, payroll taxes, assets, inventory, and student classrooms. Locations reflect a worker's work location rather than an area of responsibility.
Location Hierarchy		TBD			Location hierarchies have organizational roles and can include locations for grouping purposes.
Matrix		MT#####		TBD	Will be defined by the HCM team. Contains workers from different supervisory organizations who work together. Each matrix organization has a manager who has a dotted-line relationship to all the members of the matrix organization. However, the manager of a worker's supervisory organization retains ultimate authority over the worker. The matrix manager can view confidential data about each matrix organization member. Matrix organizations are freestanding and aren't related to a supervisory organization. You can use a custom hierarchy to group matrix organizations.



Workday Delivered Organizations Types (cont.)

Organization Type	Payroll Costing Eligible	Proposed ID Naming Convention	Proposed Description Naming Convention	Legacy Example	Description
Program	Yes	PG#####	Cougar Employee Wellness Program	2714-1004	Enterprise interdisciplinary report that identifies activities that are on-going in nature and do not have a defined start and end date
Program Hierarchy		PGH###			Hierarchy for programs for reporting
Project	Yes	PR#####	TBD Capital Project	TBD	A specific activity with a defined start and end date such as capital projects
Project Hierarchy		PRH###			Hierarchy for projects for reporting
Region	Yes	RG##		TBD	Represents each campus and provide the ability to produce financial statements that will be balanced by this worktag
Region Hierarchy		RGH###	Pullman Campus or Vancouver Campus		
Retiree Organization		RO#####			Will be defined by the HCM team during Architect. Holds retirees, and provides visibility and management access for retiree administrators and partners.



Workday Delivered Organizations Types (cont.)

Organization Type	Payroll Costing Eligible	Proposed ID Naming Convention	Proposed Description Naming Convention	Legacy Example	Description
Supervisory Organization		SO#####		TBD	Will be defined by the HCM team during Architect. Supervisory organizations group workers into a management hierarchy. A supervisory organization can be a business unit, department, group, or project. Jobs, positions, and compensation structures are associated with supervisory organizations, and workers are hired into jobs or positions associated with a supervisory organization. Business processes can be assigned to a supervisory organization. All approvals and checklists are established for the supervisory organization hierarchy, with possible variations for particular organizations within that hierarchy. Supervisory organizations can be created and inserted into a hierarchy as a single action. There is no separate action to create a supervisory hierarchy.
Union		UN#####		TBD	Will be defined by the HCM team during Architect. Unions track and report on union membership for workers.



Workday Delivered Accounting Worktags

Dimension	Proposed ID Naming Convention	Proposed Description Naming Convention	Legacy Example	Description
Expense item	N/A	Car Rental Gas	TBD	Expense items define the transactions workers use in expense reports and maps to a spend category. When you create expense items, you determine how Workday processes them, such as using an actual amount or defining maximum rates for the item. Based on the expense item setup, Workday calculates reimbursement amounts for worker expense reports.
Ledger Account	####	Cash or Tuition Revenue	1101	The natural account where debits and credits are recorded against. Ledger accounts will be summarized into hierarchies for financial reporting. Ledger accounts are controlled by the xx (i.e., Controller's office) for financial reporting accuracy. 1=Asset, 2=Liability, 3=Equity, 4=Revenue, 5=Payroll, 6-8=Other Expenses, 9=Statistics
Ledger Account Summary	TBD	Cash and Cash Equivalents		Hierarchical relationships between ledger accounts and group ledger accounts by a range of values or by specified ledger accounts as of an effective date to meet financial statement requirements
Object Class	10_TBD	Materials and Supplies	TBD	Categorizes grant related expenditures captured in your internal financial spend categories and pay components using the terms defined by the sponsor
Pay Group	TBD	Unite Way Academic Pay	TBD	Pay Component (PC) represents the most detailed level of earnings (such as base salary or bonus) or deductions (such as federal withholding taxes or medical) that applies to a worker's gross-to-net pay calculation or tax liability. PC provide a more granular view of compensation plans and a more granular view of the payroll costs incurred by the Company or unit than what is provided by Ledger Account. When a PC is used in the payroll module of Workday, a Ledger Account will automatically be derived by configuring the account posting rule set.



Workday Delivered Accounting Worktags (cont.)

Dimension	Proposed ID Naming Convention	Proposed Description Naming Convention	Legacy Example	Description
Purchase Item	TBD	Pens or Paper		Typically defined at SKU level and assigned to exactly one spend category. You can use purchase items to stock, track, and replenish inventory. Linking catalog and web items to a purchase item enables you to stock goods sourced from different suppliers as a single unified item.
Revenue Category	RC####	Grant Revenue or Microcomputer Lab Fees	54149 or 43030	A classification of revenue streams for WSU. Revenue categories are mapped to ledger accounts for financial reporting, and describe granular revenue streams to facilitate revenue reporting.
Revenue Category Summary	RCH###	Grant and Contract Revenue Lab Fees		Group similar revenue categories into hierarchical groups for reporting purposes and to simplify account determination in posting rules
Spend Category	SC####	Office Supplies	03AA	A classification of expenses for WSU. Spend categories are mapped to ledger accounts for financial reporting, and describe granular spend sources to facilitate spend reporting.
Spend Category Hierarchy	SCH###	Administrative Spend Categories		Group similar spend categories into hierarchical groups for reporting purposes and to simplify account determination in posting rules



Custom Organizations Types

You can configure a custom organization to be a worktag in financial transactions, and assign a worker to the custom organization in organization assignment so that the custom organization defaults as a worktag into transactions that involve the worker. You can mark up to 10 custom organization types as a financial worktag. In addition to their use in business process routing, worktags can also be used as a dimension in reporting.

Organization Type	Payroll Costing Eligible	Proposed ID Naming Convention	Proposed Description Naming Convention	Legacy Example	Description
Agency		AG#####	TBD	TBD	TBD. Used to track funding for which WSU act as an agent. Some examples include student organizations, Fraternity/Sororities.
Assignee	TBD	AS#####	Jane Smith (Faculty) or John Smith (Staff) or Jason Smith (Student)	TBD	TBD. Represents a person within the University to whom revenues and expenses can be attached and P&L reported.
Designated	TBD	DS#####	Start Up Funding for Gotch	2714-0096	TBD. Internally allocated funds not subject to external restrictions such as discretionary, startup, non-sponsored studies that have carryforward.
Loan Receivable		LR#####	John Smith Student Loan Program or Parent Loan Program	TBD	TBD. Used to track funds that are designated for student, parent, and faculty loans.
NACUBO Functional Classification	Yes	FN##	Academic Support or Research	1300 or 1100	Used for mission based reporting and NACUBO functional classification.



Custom Worktag Types

These are potential Custom Worktags that have been identified during the pre-planning stage as reporting dimensions that are not already covered by delivered worktag types. As of WD31, you can define up to 15 custom worktag types, which are available in financial, payroll, and time tracking transactions. Custom worktags are optimal when all you need is a simple tag for financial transactions that do not require any capabilities around roll-ups, security assignment, or assigning to workers.

Dimension	Proposed ID Naming Convention	Proposed Description Naming Convention	Legacy Example	Description
Cash Flow Code	TBD	Asset Acquisition Debt Interest		Allow users to generate a Statement of Cash Flow from the Workday system. Cash Flow Code worktag will be applied to transactions to allow them to be reported properly on the cash flow statement. The additional worktag allows the segregation of transactions within one ledger account onto separate reporting lines within composite reporting.
Debt Vehicle	DB#####	R2011A(2002A) or R2017C(R2007A(2001A))		TBD. Internal and external debt vehicles.
Foreign/ Domestic Travel	TBD	Domestic Travel or Foreign Travel		TBD. Ability to provide more granular object class mapping and streamline Expense Items and/or Spend Category configuration to indicate the type of travel



Workday FDM Blueprint

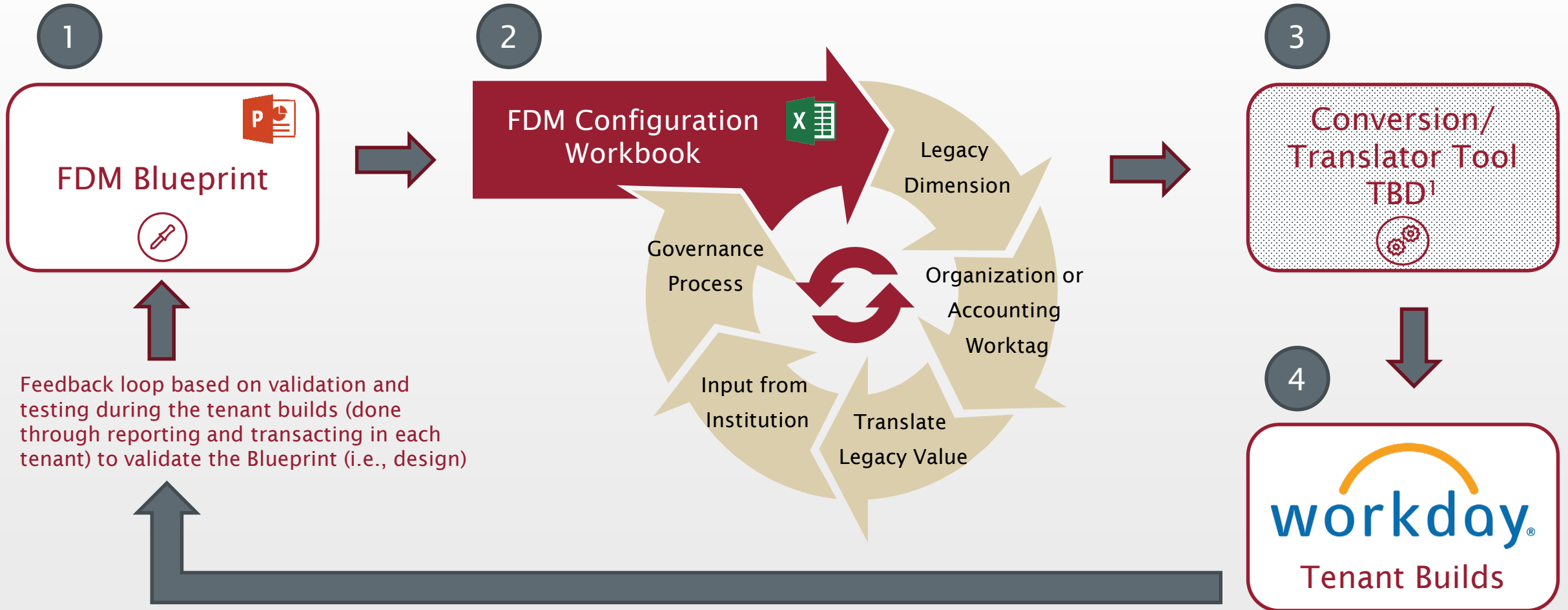
Transition to Workday





Transition to Workday

There is a multi-step approach involved when transitioning from the legacy system to Workday and the Modernization team will continue to refine over the course of the implementation.

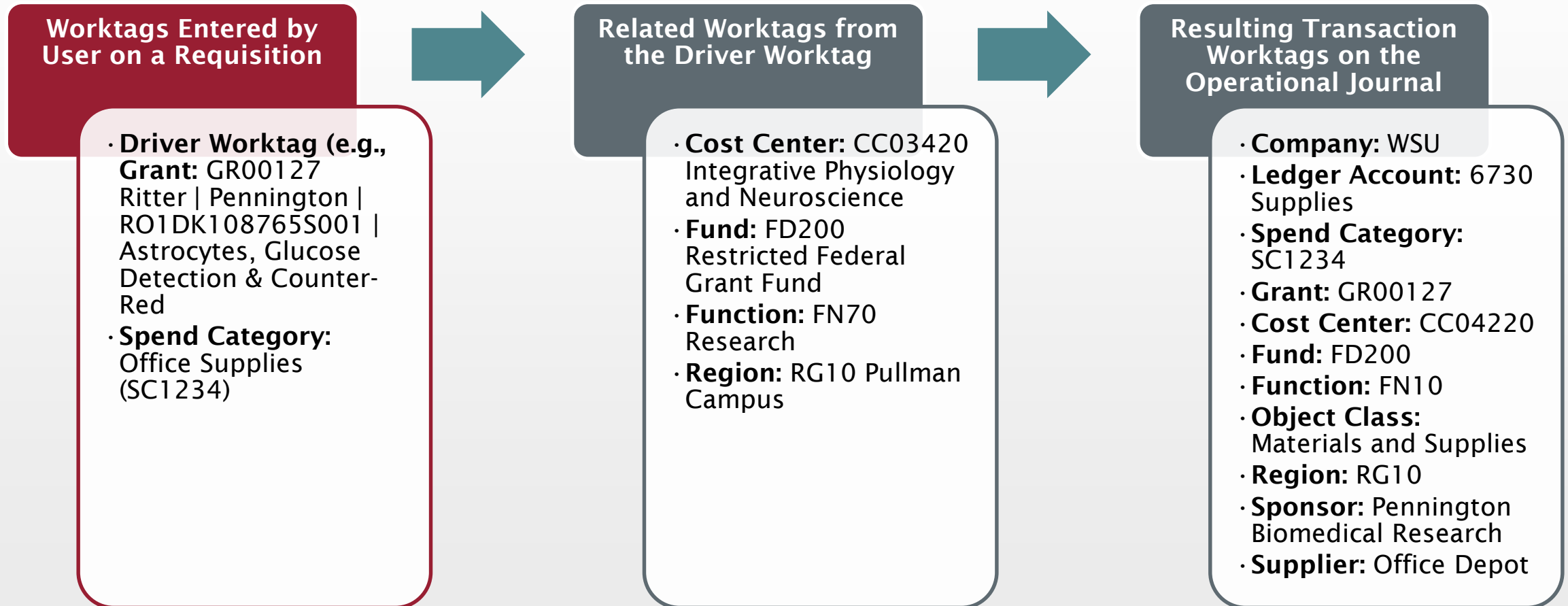


Note:
1. The Conversion/Translator Tool is still TBD and the FDM team will be working with the Technical team on the tenant build process.



Workday Coding “String”

This feature enables less keying by the end user. When a worker enters a “driver” worktag, the related worktags are auto-populated.





Proposed Grant Account Translation

The proposed translation to Workday dimensions for this example would be:

- **Grant:** representing the Project description (e.g., GR00127 Ritter | Pennington | RO1DK108765S001 | Astrocytes, Glucose Detection & Counter-Red
 - With these assigned related worktags:
 - **Cost Center:** representing Department 3420 (e.g., CC03420 Integrative Physiology and Neuroscience)
 - **Fund and Function:** representing Fund 14501 and Program 11W (e.g., FD130 Restricted Federal Grant Fund and FN70 Research)
- **Sponsor:** representing Granting Agency (e.g., Pennington Biomedical Research)
- **Ledger Account/Spend Categories/Object Class:** representing Object 03 Goods, Services (e.g., Office Supplies (SC1234) mapping to Ledger Account 6730 Supplies and Object Class Materials and Supplies)
- **Cost Center Hierarchy:** representing Area 11 (e.g., College of Veterinary Medicine)

Account Number	Title
2550- 0634	ASTROCYTES GLUCOSE DETECTION & COUNTER-RED

Specific account the funds are housed in and where expenditures are posted

- 2550: is the Budget and represents
 - Department 3420 - Integrative Physiology and Neuroscience
 - Area 11 - College of Veterinary Medicine
- 0634: is the Project

OBJECT	BUDGET	EXPENDITURES	ENCUMBRANCES	BALANCE	PCT
00 SALARIES	100948.00	125675.00	47497.30	72225.10	172
01 WAGES	7156.00	0.00	0.00	7156.00	
03 GOODS, SERVC	68930.00	31153.00	0.00	37777.00	45
04 TRAVEL	1782.00	0.00	0.00	1782.00	
07 BENEFITS	36784.00	48908.36	11399.35	23523.71	164
13 OVERHEAD	112112.00	106983.31	5128.69	0.00	100
PROJECT TOTAL:	327712.00	312720.47	64025.34	49033.81	115
	ESTIMATE	REVENUE		VARIANCE	PCT
99 REVENUE	327712.00	298747.75		28964.25	91



Proposed Translation to Workday

Here is an initial crosswalk of your legacy value translated to the proposed Workday dimension or worktag.

Legacy Value	Proposed Workday Dimension	Notes
Area	Cost Center Hierarchy	Area 11 - College of Veterinary Medicine
Department	Cost Center	3420 - Integrative Physiology and Neuroscience
Budget (1st four digits of 8 digit account number)	Combination of Cost Center and Cost Center Hierarchy	2550
Project (last four digits of 8 digit account number)	TBD organizations (e.g., Gift, Grants, Project, Program, Custom Org like Designated)	Grant: representing the Project description (e.g., GR00127 Ritter Pennington RO1DK108765S001 Astrocytes, Glucose Detection & Counter-Red
Program	Combination of Fund and NACUBO Functional Classification custom organization	Program 11W (e.g., FDxxx Restricted Federal Grant Fund and FNxx Research)
Fund	Fund and Fund hierarchy	14501 GRANTS AND CONTRACTS--FEDERAL
Object	Ledger Account or Ledger Account Summary	Object 03 Goods, Services
Sub Object	Ledger Account or Revenue Category or Spend Category	15CA Office Supplies



Workday FDM Blueprint

Governance

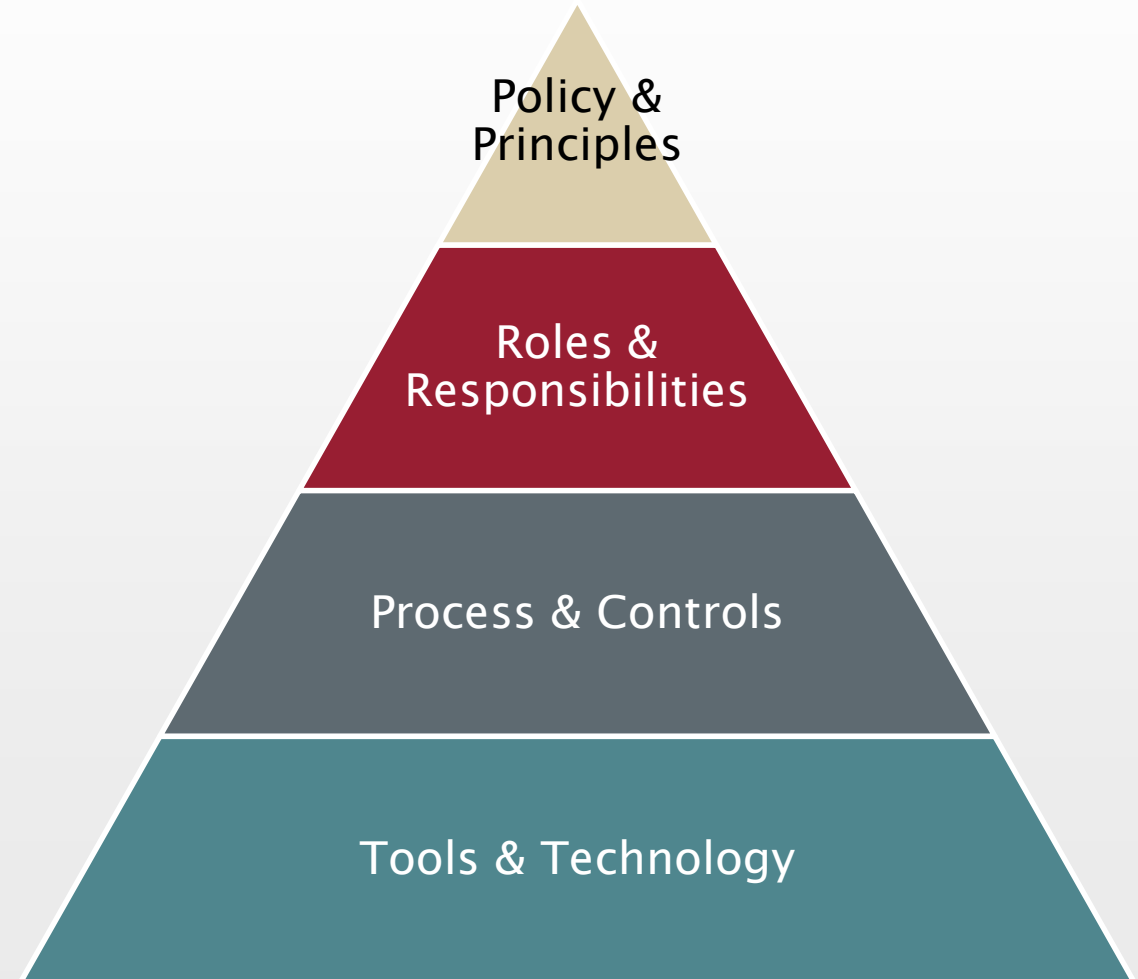




Governance Considerations

Governance will assist in data conversion, cut over, training and change management.

- The Workday FDM will live and change with your business
- Need to define criteria and a process to manage this going forward
 - Expanding your Workday footprint
 - Acquisitions/Divestitures
 - Business Growth/Change
 - Economic Growth/Change
 - Legal/Statutory/Regulatory Requirements
 - How will requests be created?
 - How will requests be processed?
 - What are the criteria to get a new value
- This process can be put into place in advance of Go Live to manage/limit changes to existing structures that affect the FDM going forward





FDM Governance: Process vs. Oversight

There are two key components to the FDM governance: the request process and oversight.

FDM Request Process

- Who
 - Who can request a new value?
 - Who is responsible for reviewing new value requests?
- How
 - How is a new value requested?
- Where
 - Where do FDM value requests go?

FDM Oversight

- Who
 - Who is involved in the oversight process?
 - Who coordinates discussions and develops materials needed for oversight?
- How
 - How are FDM changes proposed, reviewed and possibly implemented?
 - How are updates communicated?
- Where
 - What topics are discussed?
 - What is the cadence for reviewing the FDM?



FDM Governance Components

Multiple tools can be established to assist with the governance process.



- Standard form to automate worktag value request
- From configured to accommodate for each worktag type (i.e., questions for a new Cost Center value may differ from questions for a new Project)
- Follows a business process (may live inside or outside of Workday)



- Team members have necessary security to configure worktags (i.e., create/modify hierarchies) and add new values
- Receives and processes worktag value requests
- Follows rules and definitions as established by FDM Oversight Committee



- Group of representatives from each Area that has a diverse makeup that represents the needs of all the campuses
- Ensures the FDM structure and definitions meet the needs for the entire institution
- Share leading practices and how FDM is being leveraged to ensure enterprise-wide consistency across all the campuses

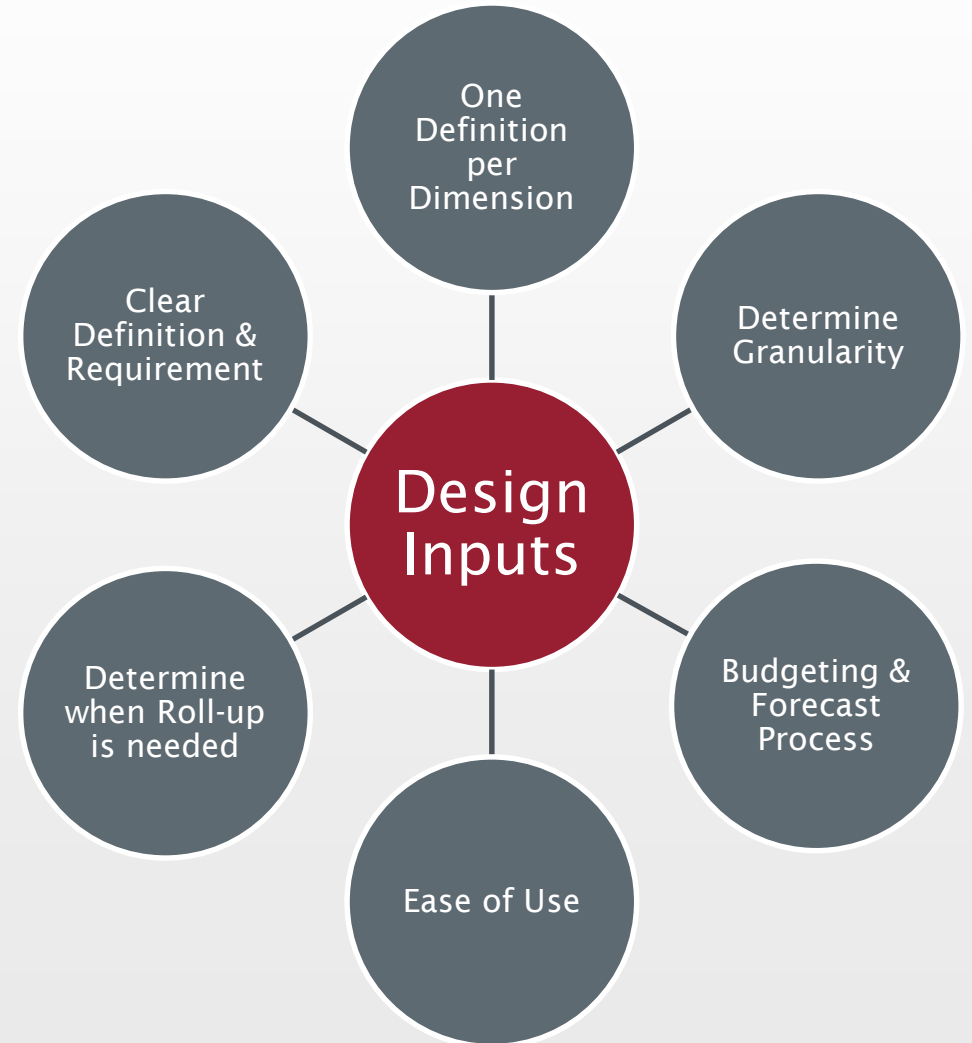




Design Considerations

Workday is designed to remove the accounting knowledge from the end user and manage it all by the flexibility of the FDM design and configuration done during the implementation.

- Custom Organizations and Custom Worktags can be utilized where the delivered Worktags do not meet your institution's needs.
- Ideally, build Ledger Account structure to support external reporting requirements. Anything lower should be considered a candidate for another dimension.
- Determine what level to compare actuals to budgets, this will drive the level to which accounts can be defined.
- Workday has the ability to assign related Worktags onto your Worktag values to facilitate capturing information without entering it directly.
- Consider when you may be able to leverage a roll-up/hierarchy when designing organizations for tracking and reporting data.
- Think, "How will a user request a new value?"
- One of the key factors is making sure there is a plan and process to request and maintain the values of the FDM.





Ledger Account Leading Practices

- Leverage other worktags
- Number of ledger account should be in the hundreds (or less), not thousands
- Ensure there is a unique combination of Workday ledger account and other worktags for each legacy account (or object) value
- Use separate ledger accounts for each posting rules default to streamline reconciliation
 - i.e., Supplier Invoices Payable and Expenses Payable



Ledger Accounts Leading Practices (cont.)

Balance Sheet

- Collapse cash accounts reconciled in Workday, moving detail to bank account worktag
- Collapse other account detail into other dimensions such as debt or investments
- Larger number of accounts if reliant on third-party operational systems

Revenue

- Supported by additional detail in revenue category and optional sales item
- Define at level used for financial statement reporting
- If budgeting revenue, can include both ledger account and revenue category in budget

Spend

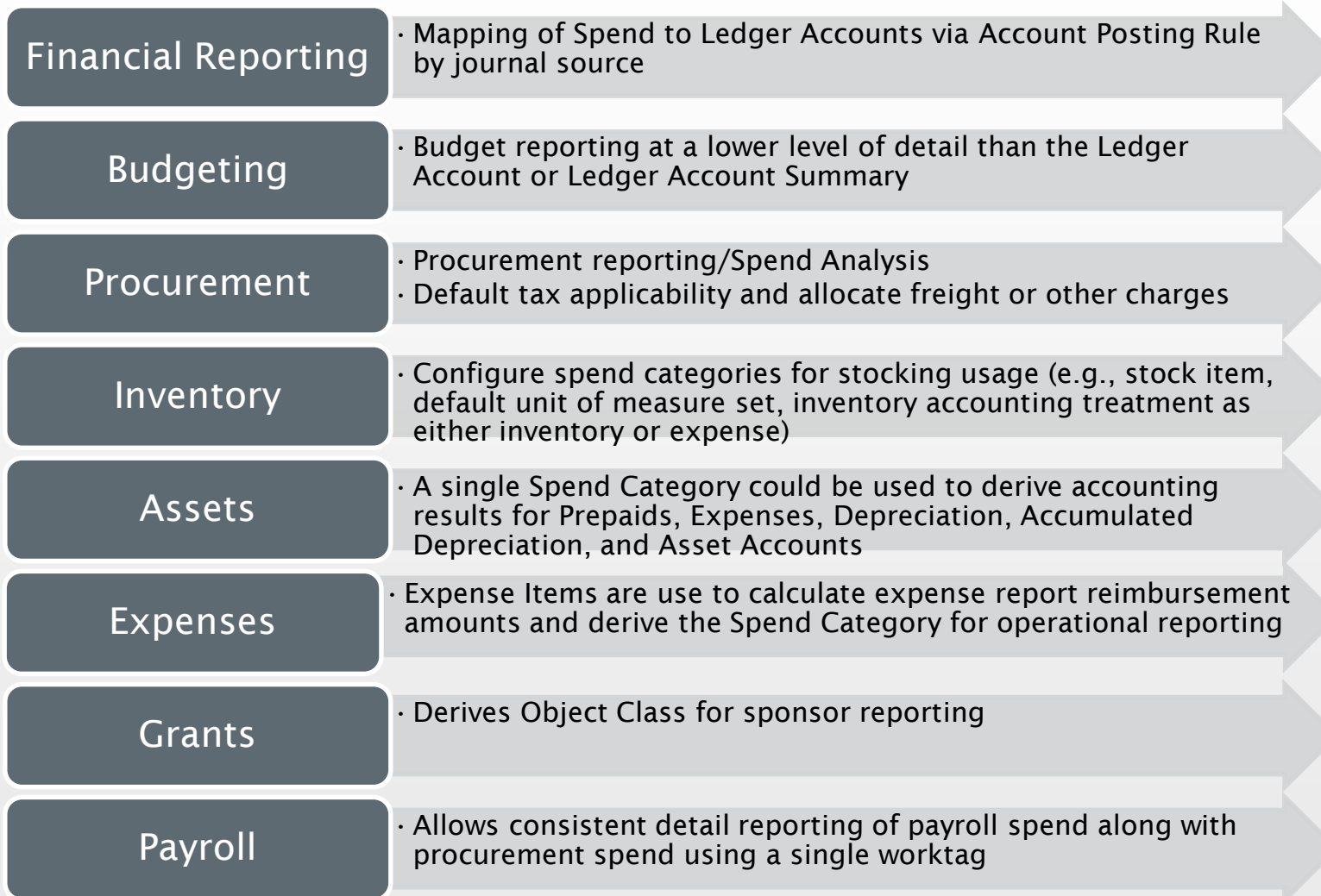
- Supported by additional detail in spend category and optional expense item, purchase item, etc.
- Define at level used for financial statement reporting and most organization-wide budgeting
- Budgeting can also be at spend category level but this can create control complexity

Payroll Spend/Liabilities

- Supported by additional detail in spend category via resulting worktags
- Define at level required for financial reporting and budgeting of payroll costs
- Use spend category for managerial reporting and liability clearing



Spend Category Considerations

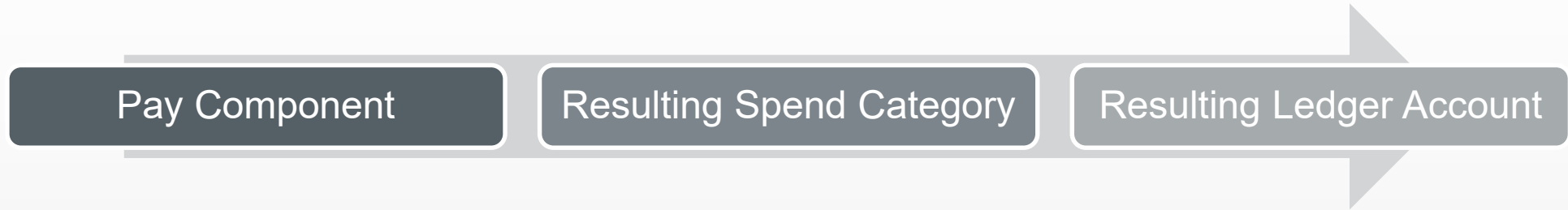


- Spend Categories have a broad impact
- FDM dimension often most difficult to get right
- Involve all impacted areas
- Requires a model and value set that supports the diverse requirements



Payroll Spend Categories Example

Account Posting Rules can be configured to derive Ledger Accounts and Spend Categories based on Pay Components.

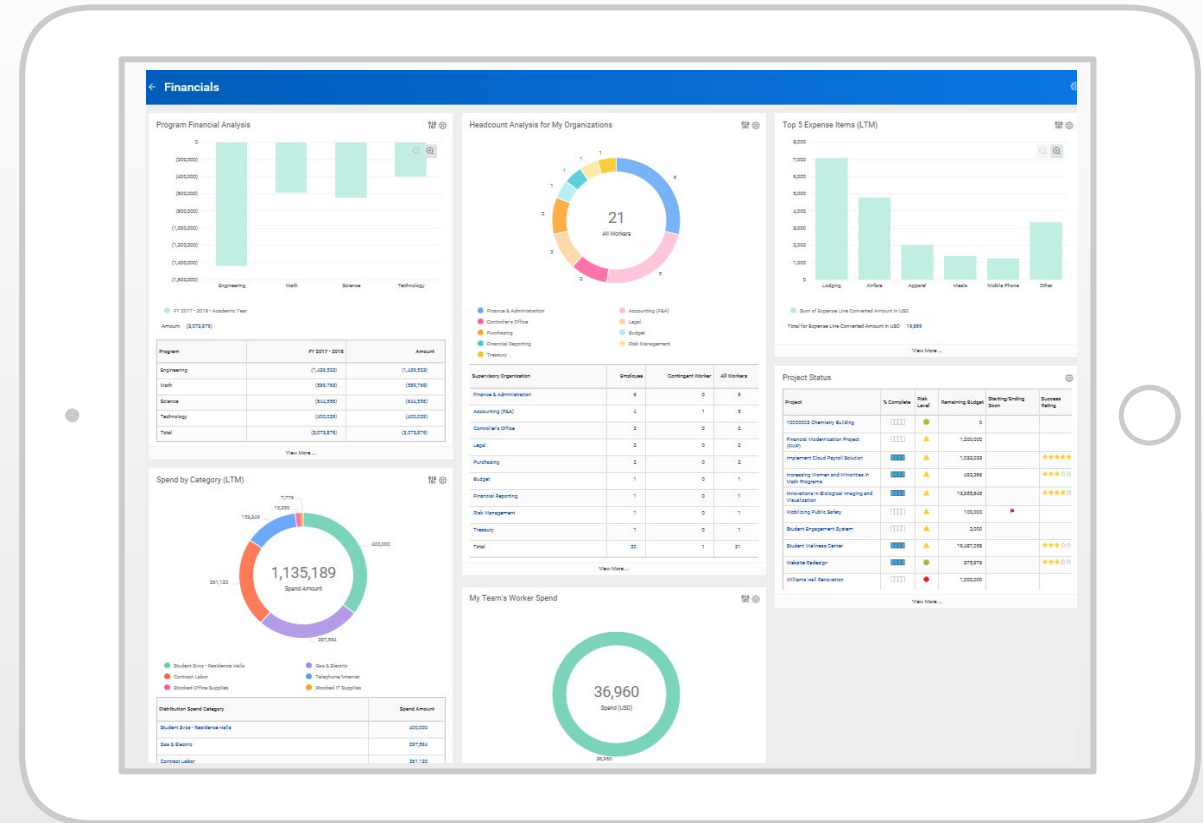


Ledger Account	Spend Categories
2230:Payroll Liabilities - Benefits	Payroll Liabilities - United Way (SC5035) Payroll Liabilities - TIAA/CREF 403(b) (SC5048) Payroll Liabilities - Flex Spending Account- Medical (SC5059)
2240:Payroll Liabilities - Taxes	Payroll Liabilities - Federal Withholding Tax (SC5000) Payroll Liabilities - State Withholding Tax (SC5001) Payroll Liabilities - Social Security Withholding Tax (SC5002)
2250:Payroll Liabilities - Other	Payroll Liabilities - Withholding Order - Bankruptcy (SC5005) Payroll Liabilities - Withholding Order - Creditor (SC5006) Payroll Liabilities - Withholding Order - Child Support (SC5007)
5000:Salaries and Wages - Salaried	Salaries and Wages - Academic (SC6009) Salaries and Wages - Professional (SC6011)
5010:Salaries and Wages - Hourly	Salaries and Wages - Classified (SC6010)



Usability Considerations

- The quality of the data depends on the data entered into the system
- Leverage **related worktags** to minimize data entry
- Use a consistent ID and description **naming convention**
- Optimize **search** functionality
- Configure **validation logic** to enforce existence and Worktag combinations
- Define lowest level of granularity required and **create hierarchies** to group the values
- **Default organizations** from employee definitions (i.e., position)





Workday FDM Blueprint

Data Model Process Summary





Data Model Process Summary

Current Policies and Procedures

- Business Policies and Procedures Manual

Change Impacts

- Educating users on how to use new reporting dimensions in reporting and analyzing their portfolio(s)

Key Leadership Decisions

- Confirm that each Campus will be represented using the Region delivered organization worktag with optional worktag balancing enabled to produce balance sheets by Campus

Design/Configuration Considerations

- Enable worktag balancing and optional worktag balance to obtain a balance sheet by company, fund, and region (campus)



Data Model Process Summary (cont.)

Reporting Considerations

- Evaluate security role assignments by Organization/Org hierarchy to enable users to view and analyze their applicable book(s) of business

Conversion Considerations

- Still under discussion

Integrations – illustrative

- Inbound
 - Student Revenue
 - Point of Sale (POS) system(s)
 - TBD
- Outbound
 - Data warehouse
 - TBD

Technology Enablers

- Excel
- Data warehouse (query tool)
- TBD



Data Model Process Summary (cont.)

Key Personas

- Accounts Receivable Manager
- Accounts Receivable Specialist
- Billing Specialist
- Budget Executive
- Budget Manager
- Budget Analyst
- Buyer
- Dean
- Department Chair
- Department/ Unit Administrator
- Executive
- Expenditure approver
- Financial Analyst
- GL Accountant
- GL Manager
- Payables Specialist
- Payables Supervisor
- Pre Award Grants Administrator
- Post Award Grants Administrator
- Project Accountant
- Project Administrator
- Project Team Member
- Project Manager
- Principal Investigator (PI)
- Provost
- Sourcing Specialist
- Sourcing Manager
- Supply Chain Manager

Key User Stories

- Ability to report by Campus by various dimensions
- Ability to report budget vs. actual by account/organization and time period (e.g., fiscal year and award/grant period) and drill into source transaction
- Ability to report budget vs. actual by revenue/spend dimension, funding source, and time period (e.g., fiscal year and award/grant period)



Workday FDM Blueprint

Next Steps





Next Steps

- ✓ Present summarized findings to Stacy Pearson to share with senior Finance leaders:
 - Enabling Campus level balance sheet reporting
 - Illustrate how Cost Center, Campus as Region, and Supervisory Organization structure can be different to meet management reporting needs
 - Continue discussion around how Global Campuses will be represented in the new data model to meet management reporting needs
 - Continue discussion how the Physician Practice Plan will be represented in the new data model to meet reporting needs
- ✓ Begin understanding impacted systems remediation requirements based on new Workday FDM structure
- ✓ Continue mapping legacy values in FDM configuration workbook to translate legacy values to Workday dimensions
- ✓ Continue to rationalize future state reporting requirements by the various stakeholder groups
- ✓ Continue working with working groups, subject matter experts, and advisory groups providing updates on translating legacy structure to Workday
- ✓ Continue to work on FDM translation tool option to facilitate organization, data integrity, security, and intuitive user interface for the transformation effort





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