

# Summit Re-Implementation Project

*Powered by FinMAP*

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## **One City, One System** ***Transparent, Consistent, Reliable***

Seattle City Council Briefing  
Affordable Housing, Neighborhoods & Finance Committee  
September 21, 2016

# Current Issues

- Insufficient linkage of expenses with their supporting revenues
- Inefficient and cumbersome processes to monitor City's fiscal health, meet regulatory reporting requirements, ensure internal control & info security, and support performance based budgeting
- Audit issues
- Inconsistent financial management practices
- Accounting system difficult to maintain

## One City, One System

- In 2011 the City Council adopted Resolution 31332 establishing a Citywide Financial Management and Accountability Program - - - FinMAP
- State of the art financial operations
- Standardizing how we do business
- *Summit Re-Implementation (SRI) is the first key deliverable for FinMAP*

# FinMAP: Key Business Changes

- Standardize use of variables (“Chartfields”) in accounting system
- Accumulate costs and supporting revenue with *Project* Chartfield
- Directly attribute costs and supporting revenue to *Fund* Chartfield
  - Assigns cost details in each Fund
  - Reduces size and scope of most operating funds
- Minimize use of accounting system customizations

# FinMAP: Other Business Changes

*Business practices implemented over time:*

- Payroll processing
- Indirect cost model
- Billing, payment, and accounts receivable processing
- Procurement and vendor payment processing, including Enhanced Procure to Pay (EP2P) for select, early departments

# Making it happen

## Phase I Timeline

**2013-2015:** Develop scope & cost

## Phase II Timeline

**2015:** Initiated Phase II

**2016:** Design and build new 9.2 Summit system; develop and educate departments on new business practices

**2017:** Complete build and testing of new system; help departments adapt to new business practices

**2018:** Launch (1<sup>st</sup> quarter), troubleshooting

# Making it happen

## Phase II Budget & Funding

- **Budget:** \$65.6 million, plus \$5.3 million for Enhanced Procure to Pay (EP2P) = \$71M (20% contingency)
- **Funding:** Central Project allocated to City's six funds (like other Summit-related costs); EP2P costs allocated only to early participating departments
  - Supported by LTGO debt issuances in 2016, 2017 and possibly 2018; and direct payments by SPU and SCL

# Making it happen

## Department challenges

- Assessing impact of standard policies and processes
- Adopting new technical and business processes
- Training staff
- Living with more oversight and internal controls

## Solutions

- Citywide learning sessions
- Sessions with individual departments
- Hands on support
- Ongoing communication



# SRI Governance

## GOVERNANCE

**MAYOR**  
*Executive Sponsor*

**City Council**  
*appropriates funding*

**EXECUTIVE BOARD**

*Select Department Directors  
chaired by Ben Noble\*, inclusive  
of Mayor's IT Sub-cabinet  
\*transition co-chair Fred Podesta*

**CFO Group**

**Seattle IT  
Leadership Team**

### Cabinet-Level Steering Responsibilities:

*Decision  
Scope  
Prioritization  
Structure  
Organizational alignment  
Policy direction  
Accountability  
Funding  
Risk Management  
Communications*

### SRI LEADERSHIP TEAM

*Fred Podesta  
Ben Noble  
Glen Lee  
Michael Mattmiller*

**Central Staff  
Liaison Group**

**COUNCIL**

**PROJECT EXECUTIVE**  
*Glen Lee*

**QA**  
*Slalom*

**FinMAP Program Manager**

**SRI Project Director**  
*Mike Herrin*

**Organizational Change  
Management (OCM)**

**Business Owners**

**CherryRoad**

**Implementation  
Team**

**Org-wide  
Communications**

**Department  
Transition  
Plans**

**Change Impact  
Assessments**

**Treasury**  
*Teri Allen*

**Budget**  
*Scott Clark*

**Accounting\***  
*Janice Marsters*

**Procurement**  
*Nancy Locke*

*\*may include  
financial aspects  
of Procurement*

**ADVISORY | Governance**

**FinMAP Advisory**

**Procurement  
Advisory**

**Ad Hoc  
Committees**

**Business Clients**  
*City Departments*

**ADVISORY | Planning & Implementation**

## PLANNING & IMPLEMENTATION

# Next Steps

## In coming months

- **New Business Rules and Practices:** Key Concept Sessions & Working Papers
- **Department Prototyping:** Synthesis of New Business Rules/Practices and System Configurations
- **Organizational Change Management:**
  - Change Impact Assessments & Transition Plans for All Departments
  - Help Departments Begin Preparing 2018 Budget Utilizing New Business Rules and Practices

# Discussion

**Questions and comments?**