

# North Carolina Financial System (NCFS) Update

Office of the State Controller



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## Agenda

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Topic	Presenter
R1 Sustainment & Support	Taylor Brumbeloe
Annual Comprehensive Financial Report	Laura Klem
Year in Review & Looking Forward	Clayton Darnell
Chart of Accounts Communications	



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# R1 Sustainment

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**Taylor Brumbeloe**  
**NCFS & NCAS Functional Manager**

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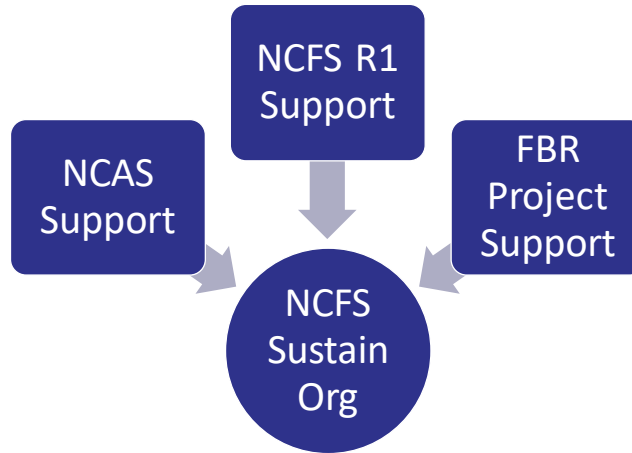
# Polling Question



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## R1 Sustainment - Support



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## R1 Sustainment – Future Success

### Knowledge Transfer

- Production Support Process
- SIT & UAT Involvement
- Functional & Technical Knowledge Transfer Sessions thru 2023

### Production Support

- Quarterly Oracle Updates
- Production Support Test Environment
- Change Management Process



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## R1 Sustainment – Lessons Learned



### KNOWLEDGE

- Increased comfort with the system
- R1 Subject Matter Experts
- Utilization of new functionality



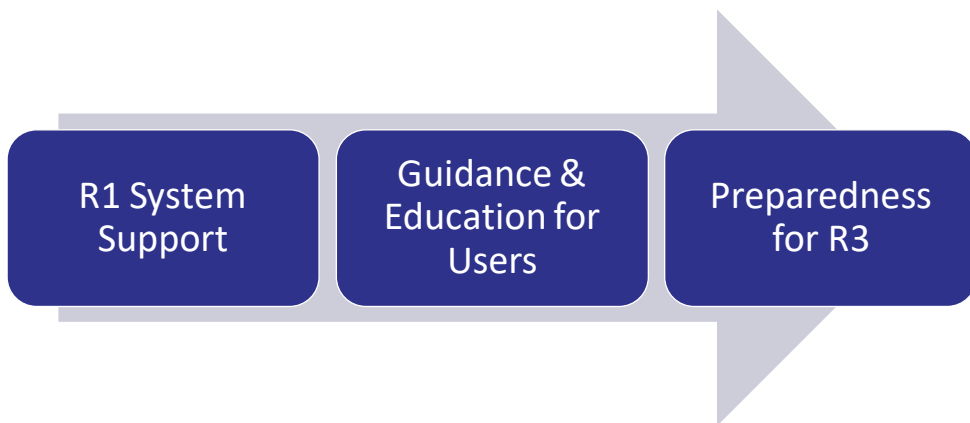
### LEARNING

- Utilizing online resources
- Self-sufficient problem solving
- Release 3 preparedness



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## R1 Sustainment – Looking Ahead



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# ACFR

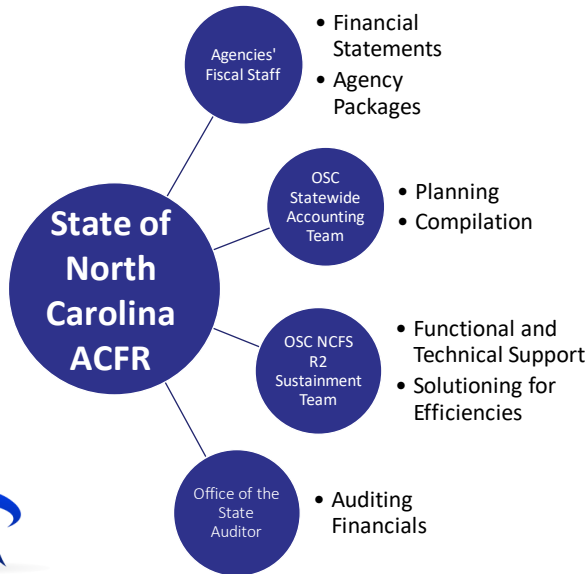


**Laura Klem, CPA**  
**Accounting & Financial Reporting Manager**

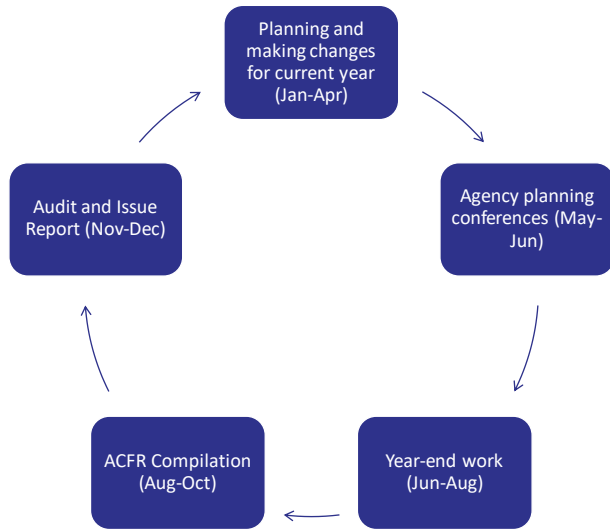
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# ACFR



# ACFR



# ACFR – Improvements

## Fiscal Year 2021

- Rounding via journal entries
- New to Oracle reporting tools



## Fiscal Year 2022

- Rounding via data forms
- More comfortable with Oracle reporting tools



## ACFR – Lessons Learned



### PREPARE

- Prepare and reconcile information throughout the year
- Review prior year issues and utilize time with OSC analyst
- Look for new efficiencies



### ACCURACY

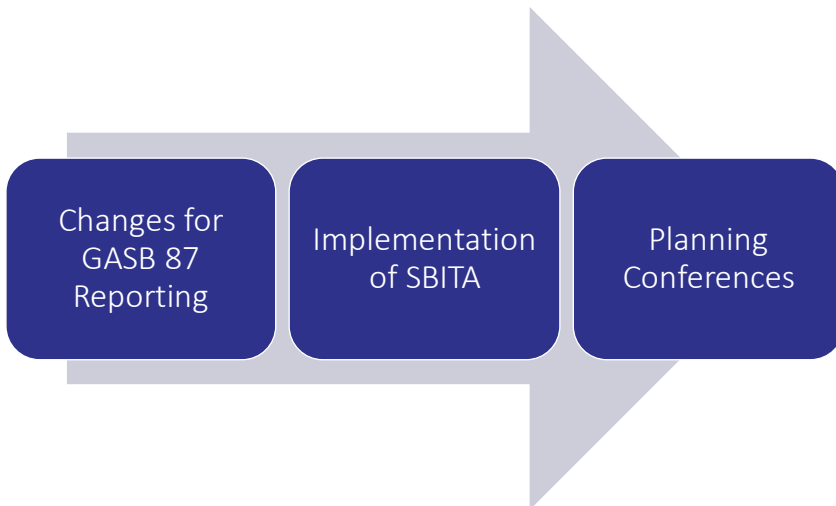
- Importance of accuracy for:
  - Financial Statements
  - Package worksheets



### TRAINING

- Training staff on:
  - New tools
  - Reports and analysis

## ACFR – Looking Ahead



# Year in Review & Looking Forward

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**Clayton Darnell**  
**Deputy State Controller**  
**NCFS Business Lead**

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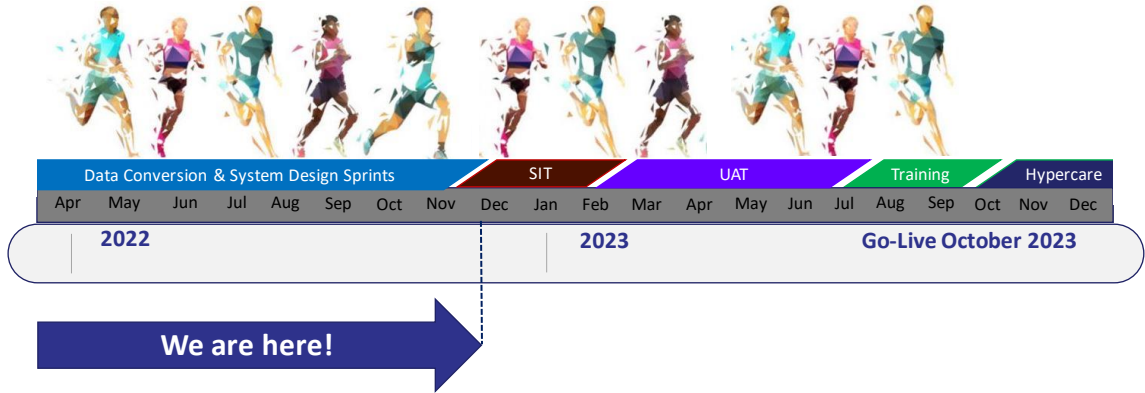


# Polling Question





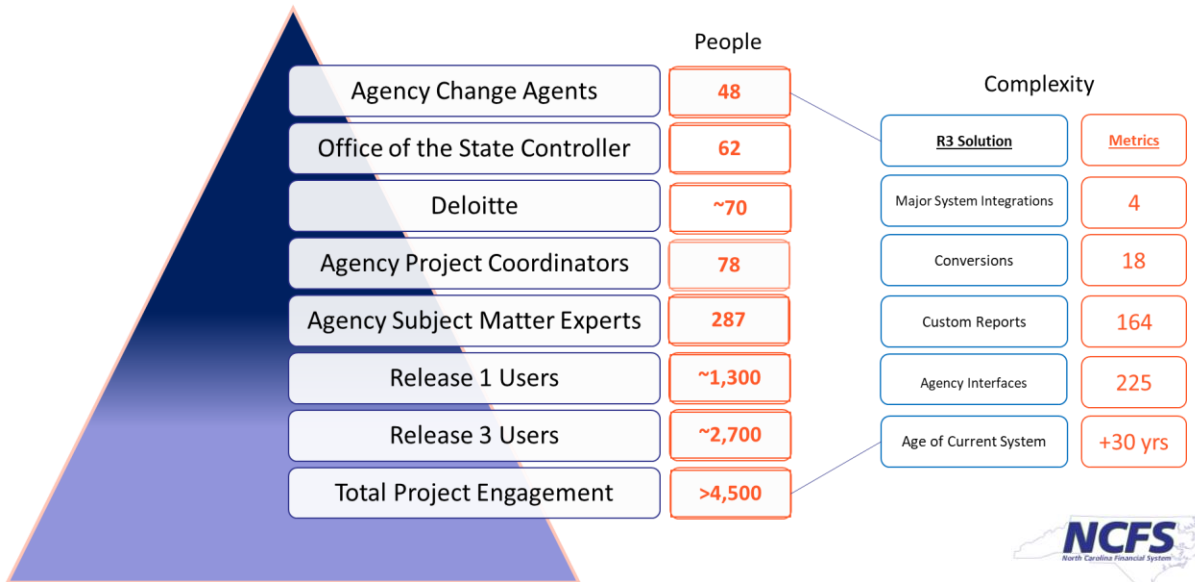
# NCFS Implementation



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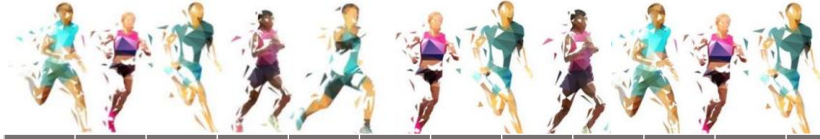
# Engagement Statewide



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## Year in Review



# 2022

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Date</b>		<b>Activity</b>									
<b>Jan 2021 → Nov 2022</b>		System Configuration and Development Sprints									
<b>Jan</b>		Launched the new SharePoint Intranet Site									
<b>Jan – Feb</b>		PO200's									
<b>Mar – Ongoing</b>		Chart of Accounts Cross-Walk Development									
<b>Apr</b>		Unlock the Power – Change Impacts – Reels & Snap Shots									
<b>Apr – July</b>		Role Mapping									
<b>May – Nov</b>		SME Engagement/Selection – Reporting, Training, Testing									
<b>Aug</b>		Role Mapping Sustainment, End-User Assessment									
<b>Oct</b>		End-User Kickoff									
<b>Dec</b>		Mock Cutover begins									

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## NCFS Implementation – Looking Forward



# 2023

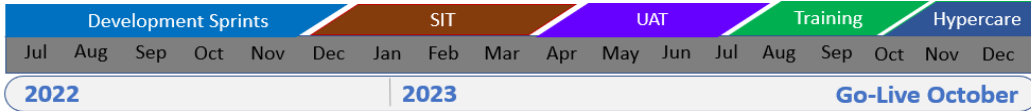
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Date</b>		<b>Activity</b>									
<b>Nov – Jan</b>		System Integration Testing (SIT)									
<b>Dec – Apr</b>		Mock Cutover continues									
<b>Dec – Feb</b>		Onboarding SMEs for Testing, Training, Reporting									
<b>Feb – Jun</b>		User Acceptance Testing (UAT)									
<b>Feb</b>		Chart of Accounts overview session for all users									
<b>Mar – Sep – Dec</b>		End-User Assessments									
<b>Apr</b>		Onboard LMS Admins and Trainers									
<b>Apr – May</b>		Train the Trainer									
<b>May – June</b>		LMS Admins begin end-user registration, monitoring, and reporting									
<b>Jul – Sep</b>		End-user Training – 100% virtual, On-demand and live									
<b>Oct – Ongoing</b>		Training labs, refresher courses & hypercare support									

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# Interfaces



- Establish SFTP Connections
- New interface layouts and formats
- Interface development and test
- Send/receive test files as part of agency FUT
- Prepare cutover activities list and plan
- Mock Cutover debriefs

- Send /receive /fully validate test files
- Mock Cutover debriefs
- Desktop readiness

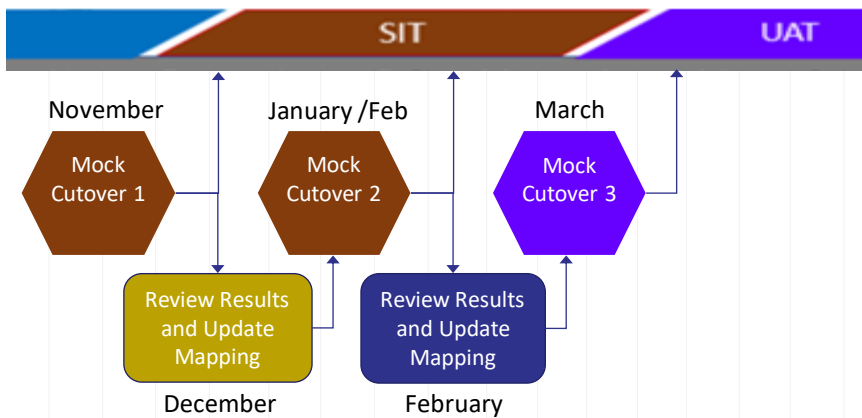
- Send /receive /fully validate test files
- Mock Cutover debriefs
- Desktop readiness

- Prepare for and execute cutover
- Cutover Control calls

- Monitor interfaces and help to resolve incidents

*\*Mock cutover to establish and practice how your organization will perform cutover activities from NCAS to NCFS*

# Data Conversion



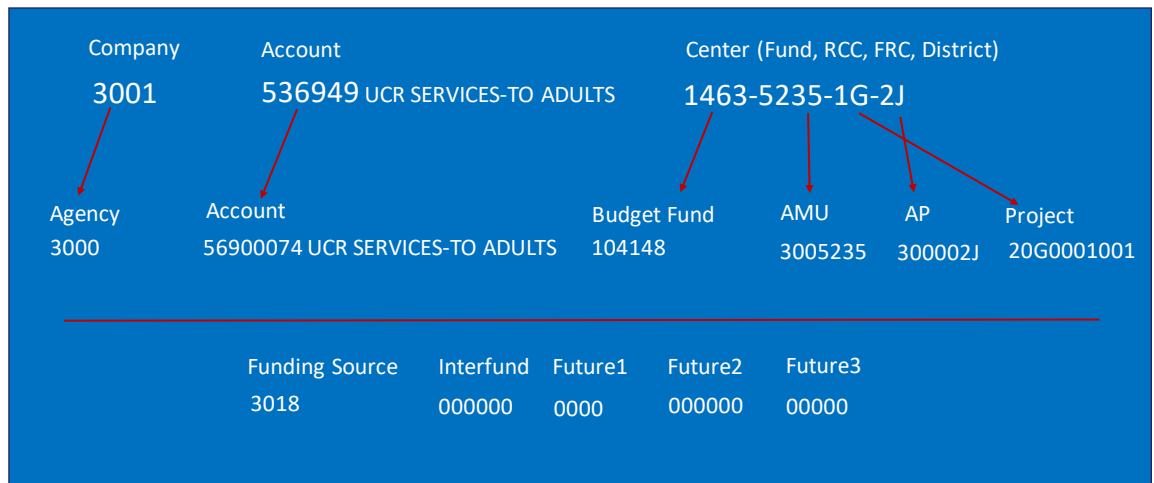
# NCFS Chart of Account Structure

## Expanded Financial Architecture

- The Chart of Accounts is the actual backbone for the new system in our Financial Backbone Replacement
  - Important Data Standardization
  - Leading financial design
  - No more account family validation
  - A foundation for the next 30 years
- ✓ Funding Source
  - ✓ Budget Fund
  - ✓ Agency Program
  - ✓ Project /Grant

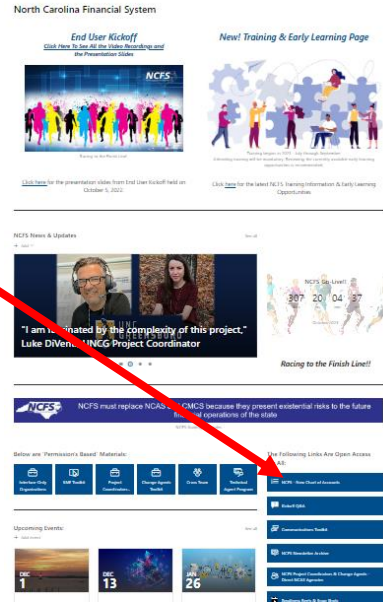
#	Segment Name
1	Agency
2	Budget Fund
3	Account
4	Agency Management Unit
5	Agency Program
6	Funding Source
7	Project
8	Inter-fund
9	Future 1
10	Future 2
11	Future 3

## Old CoA to New CoA



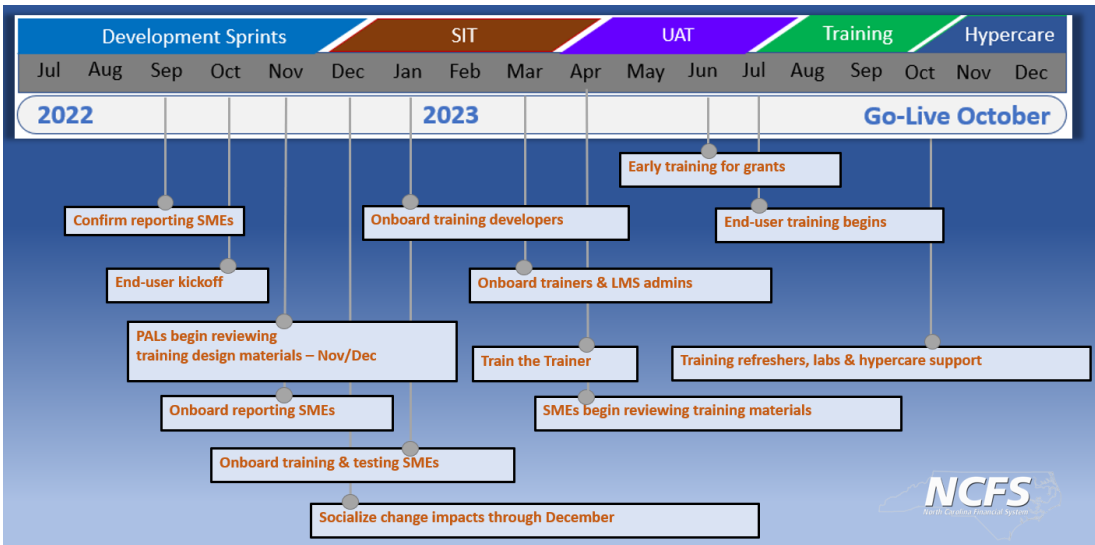
# Chart of Accounts Communications

- **New!! On the NCFS homepage - [SharePoint landing page for CoA information and updates](#)**
- Chart of Accounts Town Hall scheduled for February 16th for specific CoA users
- CoA Overview for Finance Leaders
- CoA Overview for Finance Professionals
- CoA Q&A Sessions
- NCFS Monthly Newsletter articles
- Demonstrations & video updates will be available



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# Training



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# Flashback to Why We're Doing This

**NC Financial Backbone**  
**SITUATION: CRITICAL**



**Security:**

- Limited Security due to system age/design
- Increasing vulnerability each day

**Minimal Reporting Capability:**

- Does not address needs of NCGA, NC Auditor, and 50+ State Agencies/Entities.
- Was adequate for 1990's

**Slow, Dated, Clunky Design:**

- End of life **2023**
- Accounting system for 50+ State Agencies/Entities
- Cash Management for **ALL** agencies







**COBOL-Based Platform:**

- COBOL Programming is a **dying skillset**
- In US, mostly maintained by **RETIRED** programmers

**Ageing Support Team:**

- Eligible for retirement now or by **2022**
- Ages of support staff range from 50s – 60s

**WITHOUT FULL FUNDING:**  
State of NC will be caught with no operational accounting or cash management system.

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# We'll Succeed - Together



## One Team

- Commitment
- Accountability
- Respect



## Positivity

- Embrace Change
- Think Long-Term
- Self-Awareness



## Resilience

- Adaptability
- Composure
- Collaboration

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# Questions?

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Contact us anytime for information

## NCFS Implementation

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## R1 Sustainment

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