BANNER INITIATIVES PROJECT

Amended Charter
Phases 2, 3 and 4

Approved by:
Richard Van Den Hul, Vice President
Business and Financial Affairs
May 11, 2011
On behalf of the Executive Policy Advisory Committee
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Overview

Western Washington University is currently using SunGard Higher Education’s Banner system as the official record of Financial, Student, Payroll, Human Resources and Advancement data. In 1991, Western served as a beta (test) site for implementation of the Banner Finance module without the advice of a Banner consultant. This resulted in a Chart of Accounts structure that did not support the full functionality of the Banner Budget Development module.

Phase 1 – Completed

Listed below are the objectives that were achieved in the Chart of Accounts revision, addressed in Phase 1 of the Banner Initiatives Project:

- Revised chart of accounts to single fund for fund type 11 funds (state appropriation and fund type 14 funds (tuition revenue)) to achieve a more standard approach to budgeting;
- Incorporated Chart 4 (bank chart) into Charts 1 and 2;
- Reviewed organization codes;
- Updated matrix for state reporting;
- Implemented Governmental Accounting Standards Board (GASB) reporting for fiscal year 2010 financial statement preparation; and,
- Implemented Banner Budget Development and Salary Planner modules (except for director training scheduled to be completed by June 30, 2011)
  - UPB conducted initial training for budget officers, and successfully implemented the model for developing and uploading the FY 11 operating budget, including Salary Planner. The model will be used for development of the FY 12 operating budget. UPB will assist division budget officers in training directors by June 30, 2011.

Phases 2, 3 & 4

Objective: To achieve best-in-class status in conducting the business operations and achieving the objectives of Western.

In the 14 years since implementing the Banner Finance and HR modules, various sub-systems and processes have been put into practice, often without adequate examination of how the sub-system or process should optimally integrate with Banner and cross-departmental/divisional processes. This has resulted in business processes which lack the efficiency and vigor required to achieve one of Western’s strategic goals, which is to “Serve as a model for institutional effectiveness, innovation, diversity, and sustainability.”

We have identified a number of processes that warrant a complete review or business process analysis (BPA) in order to determine how the Banner system can be more efficiently and effectively utilized, as well as how our cross-departmental/divisional processes can be optimized.
Project Scope – Phases 2, 3 and 4

The project scope of Phases 2, 3 and 4 is to fully utilize Banner system functionality in key business processes to optimize use of resources and services to Western. This includes conducting a BPA to document current processes and determine best practice processes. The best practice recommendation may involve use of existing modules and applications or suggest the use of additional applications.

Banner Modules
The Banner modules and associated business processes include, but are not limited to:

Finance Module
- Purchasing
  - E-procurement
  - Requisition to Check
  - Vendor ACH/Accounts Payable
  - Travel and Expense (Western does not currently own this module)
- Grants/Research & Sponsored Programs (RSP)
- General Ledger
  - Approval Routing
  - Accounting JV
  - Budget JV
  - Revisit Fund/Organization Security
- Banner Fixed Asset
- External system integration
  - Bookstore (Sequoia/Banner system)
  - Parking (T2 system/CashNet/Banner)
  - Capital Projects (Banner/FAMIS/Other External Data Source)

Finance/HR
- Time and Effort Reporting

HRIS Module
- Personnel Information
- HRIS Processes
- Position Control

Imaging and Banner Workflow
- Supports above processes
Project Objectives, Goals and Timeline

Objectives

- Simplify and automate business processes by implementing best-in-class practice
  - Avoid human errors
  - Improve data integrity
  - Reduce process cycle time and unnecessary paperwork and handling
  - Increase productivity and improve accuracy
  - Integrate systems and reduce/eliminate redundancy and shadow systems
- Improve services to campus and boost customer satisfaction
- Improve reporting capabilities on:
  - Management reports
  - State and federal reporting requirements
- Deliver effective training program to all identified end-users across different departments prior to “go-live”
- Provide efficient post implementation support to end-users

Phase 2 Goals (completed by 6/30/2011)

- Banner HRIS process Part 1
  - Process Flow of Personnel Information (i.e. Personnel Action Form, leave request, etc)
  - Set up of Position and Employee Classes
  - Set up of Earn Codes
  - Set up of Benefit/Deduction Codes
  - Set up of Payroll Processing/Time Entry Codes
- Banner Grants/RSP (first Banner grant billing by 8/15/2011)
- Bookstore/Sequoia system analysis (integration may be completed during this phase depending on complexity of project)
- Accounting and Budget JV entry and approval routing
- Analyze Fund/Organization Security (may extend to Phase 3)

Phase 3 Goals (completed by 12/31/2012)

- Banner HRIS process Part 2
  - Implementation of the Electronic Personnel Action Form (EPAF) for Faculty, Staff and Work Study Students
  - Position Control
- Purchasing process
  - Requisition to Check
  - E-procurement
  - Vendor ACH/Accounts Payable
  - Travel and Expense
- Banner Fixed Assets
- Bookstore/Sequoia Integration (completion could be sooner depending on the complexity of the project.)
• Time & Effort Reporting (timeline may change depending on priority since this is a compliance requirement.)
• Time & Effort Reporting is a compliance requirement from Federal Government for the grants that are awarded to the University. The implementation of Time & Effort Reporting in Banner depends on the completion of implementation and usage of full Grant module, multiple year encumbrances and payroll redistribution. (Note: multiple year encumbrances may not be a requirement but is best practice.)

Phase 4 Goals (completed by 12/31/2013)
• Parking - Parking/T2/CashNet/Banner systems integration.
• Capital Project - Perform BPA and determine how to further integrate Banner, FAMIS and any other external data sources that Capital Budget Office is currently using to best serve end-users. This may include possibility in using Banner and FAMIS system features for some of the current off-system function and utilizing Millennium FAST data warehouse for future reporting purposes.

Measurement of Goals and Objectives
Specific qualitative and quantitative measurements will be developed by process owners and approved by the Banner Initiatives Project Steering Committee.
Roles and Responsibilities

Partnerships
The success of this project’s Phases 2, 3 and 4 is contingent upon the partnerships from all divisions. Of key importance is the partnership between Business and Financial Affairs and Administrative Computing Services (ADMCS).

Executive Policy Advisory Committee
Members: President, Provost and Vice Presidents
Objective: Supports Phases 2, 3 and 4 of the project, and commits the necessary staff to ensure the project’s success.

Responsibilities:
- Demonstrates Western’s overall commitment to the project;
- Approves project’s charter;
- Takes action when project progress is slowed due to insufficient commitment to project tasks;
- Approves major changes to project scope;
- Approves resource levels and ensures commitment of personnel

Banner Initiatives Project Steering Committee
Members: Co-Chair – Vice Provost for Information Technology (CIO)
Co-Chair – Vice President for Business and Financial Affairs
All process owners
Representatives from: Administrative Computing Services, Academic Affairs, University Planning and Budgeting, Business and Financial Affairs, and Student Affairs, Academic Support Services and Internal Audit (ex-officio)
Objective: Reviews and approves project directions and recommendations from teams for new processes and implementation plans.

Responsibilities:
- Reviews and approves recommended project processes and plans;
- Approves members of sub-teams, including campus community members, for each process (ideally sub-teams will have 10 or fewer members);
- Shares ideas across modules and processes;
- Identifies cross-functional issues;
- Holds monthly meetings (more often if needed);
- Takes management actions recommended by the Executive Policy Advisory Committee;
- Ensures the project stays within scope and within project timeline;
- Resolves and prioritize tasks/projects when conflicts arise;
- Reviews change requests and recommends action to Executive Policy Advisory Committee; and,
- Promotes buy-in from Western’s community.
**Project Manager Responsibilities (BFA) (Financial Systems Manager)**

- In concert with process owners, organizes project, establishes and reviews timeline for meeting objectives;
- In concert with process owners, sets priorities for project milestones and tasks;
- Promotes best practices and seek to incorporate them in process recommendations;
- Leads process owners with BPA, processes re-design and implementation planning;
- Sets meeting agendas with Steering Committee Chairs;
- Tracks overall project timeline, identifies show stoppers and recommends remedial actions;
- Reports and recommends action to Steering Committee when project is not meeting timeline, goals or objectives;
- Summarizes periodic project status reports from process owners;
- Identifies problems, develops solutions and recommends specific management actions;
- Reviews bi-weekly reports from Process Owner;
- Establishes relationships with users;
- Ensures project tasks are within project scope. Identifies tasks that are out of scope and discusses with Steering Committee. Provides scope change document to Steering Committee for approval, if necessary;
- Ensures project stays on track regarding time, cost and quality;
- Posts project responsibilities:
  - **Project close-out**
  - Validates project completion on goals and objectives
  - Verifies customer and sponsor acceptance
  - Reviews and closes project accounting/financial files
  - Reviews project lessons learned and posts project reports for continuous improvement action;
  - Prepares project close out document
- Conducts one year follow-up and evaluation of completed steps

**Application Systems Manager Responsibilities (ADMCS)**

- Advises Project Manager of system failures and impact on the project timeline.
- Maintains consistent system availability;
- Attends regular technical and cross-functional meetings;
- Monitors maintenance schedules for all Banner and related systems;
- Based on specifications from project functional analysts, provides estimation of requested work to assist project manager in evaluating the cost and priority of a project or task;
- In concert with project functional analysts, coordinates, completes designs, develops, implements and tests any required local (custom) system modifications and enhancements;
- In concert with project functional analysts develops necessary documentation for all application system-related changes and procedures;
- In the case of priority conflicts, informs and provides recommendations to Project Manager in a timely manner.
Process Owner Responsibilities (All)

- In concert with Project Manager, organizes projects and establishes and reviews timeline for meeting objectives;
- In concert with Project Manager, sets priorities for project milestones and tasks;
- Serves as chair for sub-committee;
- In concert with sub-committee conducts BPA and develops new process design and implementation plans;
- Consults with Internal Audit on internal control design;
- Reviews organizational structure to effectively and efficiently execute new process;
- Works on identifying problems and developing solutions;
- Works with project functional analysts in testing new system processes when required;
- Prepares bi-weekly project status report for Project Manager;
- Communicates with campus community on process changes;
- Routes policy changes through the usual university process; and
- Provides training to campus community as necessary.
Communication and Training

Campus constituents will be engaged in process review and redesign and kept informed of the project and the impact on their work processes. This communication will occur through: Finance Footnotes, Western Today, HR/Finance Focus Group, ASKHR and other targeted e-mails, Town Hall meetings, and updates on department web sites. Training for all changed processes will be provided to individual departments and the campus as a whole.

Deliverables

The major project deliverables are:

1. Implement Banner Grant module;
2. Streamline HRIS processes, within departments and campus-wide;
3. Integrate Banner Finance with external systems;
   • Bookstore (Sequoia/Banner systems)
   • Parking (T2/CashNet/Banner systems)
   • Capital Projects (Banner/FAMIS/Other external databases)
4. Analyze purchasing process to obtain optimum efficiency in:
   • Requisition to Check process
     o May require e-Procurement software that allows integration of requisition and P-Card processes into Banner system;
   • Vendor ACH/Accounts Payable
   • Travel and Expense
5. Implement Fixed Asset module;
6. End-user training materials;
7. Training classes – group or one-on-one;
8. Successful test with live data; and,
9. Report by each process owner to include:
   • RPA summary
   • Redesigned best-in-class process
   • Implementation plan
   • Organizational structure review
   • End of project review and assessment
Project Budget

Funding of $200,000 was granted for the Banner Initiatives Project in FY10, $71,000 of which was spent in Phase 1. The $200,000 funding DID NOT include internal labor costs OR the following goals inherent in this amended charter:

- BPA and process redesign
  - HRIS
  - Purchasing & eProcurement
  - Time & Effort Reporting – Federal Grant Compliance
- General Ledger
  - Approval Routing
  - Accounting JV
  - Budget JV
  - Revisit Fund/Organization Security
- External system integration
  - Bookstore (Sequoia system)
  - Parking (T2 system)
  - Capital Projects (Banner/FAMIS/Other external databases)

Additional funding may be requested, depending on cost-benefit analysis conducted within the project review(s). Approval for a temporary project analyst to work under the Project Manager is recommended (see Risk #1 below). Western owns the software and all affected modules, except for the Travel Expense module and any potential acquisition of e-Procurement software.

Phase 1 Budget - Actual (FY 2010)

<table>
<thead>
<tr>
<th>Costs Categories</th>
<th>Original Budget</th>
<th>Actual Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ORIGINAL BUDGET</strong></td>
<td>$200,000</td>
<td>$200,000</td>
</tr>
<tr>
<td>Internal Resource Labor</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Consultant Resource Labor (8 visits</td>
<td>$48,000</td>
<td>$49,765</td>
</tr>
<tr>
<td>for 3 days, $185/hr.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Software Costs</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Remote Consulting ($185/hr for 3</td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td>days, 24 hours)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training Materials (manuals,</td>
<td>$350</td>
<td>$244</td>
</tr>
<tr>
<td>publications, etc.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Travel Expenses (approx. $1500 per</td>
<td>$24,800</td>
<td>$21,186</td>
</tr>
<tr>
<td>trip + 4 hrs. each way, $180/hr.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>total estimate 8 trips</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$83,150</td>
<td>$71,195</td>
</tr>
<tr>
<td><strong>BALANCE</strong></td>
<td></td>
<td>$128,805</td>
</tr>
</tbody>
</table>

**NOTE:**
$10,535 of the above Phase 1 expenses were incurred in FY 2011
Actual carry-forward balance at 6/30/10 is $139,340
## Original Phase 2 Budget (FY 2011)

<table>
<thead>
<tr>
<th>Cost Categories</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Resource Labor</td>
<td>$ 0</td>
</tr>
<tr>
<td>Consultant Resource Labor (8 visits for 3 days, $185/hr.)</td>
<td>$40,350</td>
</tr>
<tr>
<td>Software Costs</td>
<td>$ 0</td>
</tr>
<tr>
<td>Remote Consulting ($185/hr)</td>
<td>$ 3,700</td>
</tr>
<tr>
<td>Training Materials (manuals, publications, etc.)</td>
<td>$ 350</td>
</tr>
<tr>
<td>Travel Expenses (approx. $1500 + 4 hrs. each way, $185/hr.)</td>
<td>$15,500</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$59,900</strong></td>
</tr>
</tbody>
</table>

## Original Phase 3 Budget (FY 2012)

<table>
<thead>
<tr>
<th>Cost Categories</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Resource Labor</td>
<td>$ 0</td>
</tr>
<tr>
<td>Consultant Resource Labor (8 visits for 3 days, $185/hr.)</td>
<td>$35,020</td>
</tr>
<tr>
<td>Software Costs</td>
<td>$ 0</td>
</tr>
<tr>
<td>Remote Consulting ($185/hr)</td>
<td>$ 3,700</td>
</tr>
<tr>
<td>Training Materials (manuals, publications, etc.)</td>
<td>$ 350</td>
</tr>
<tr>
<td>Travel Expenses (approx. $1500 + 4 hrs. each way, $185/hr.)</td>
<td>$17,880</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$56,950</strong></td>
</tr>
</tbody>
</table>
Risks and Strategies

Detailed below are project risks that require risk strategy and contingency planning to minimize the impact on scope, cost, schedule and quality.

<table>
<thead>
<tr>
<th>Risks and Strategies</th>
<th>Contingent Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Risk: Inadequate financial systems and ADMCS resources dedicated to the project.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Strategy:</strong></td>
<td><strong>Contingent Action:</strong></td>
</tr>
<tr>
<td>(a) Hire temporary project analyst to assist Project Manager.</td>
<td>(c) ADMCS Contingent Action:</td>
</tr>
<tr>
<td>(b) BFA reallocates Financial Systems resources.</td>
<td>1. Re-prioritize project programming tasks with ADMCS</td>
</tr>
<tr>
<td>(c) ADMCS allocate programmers to the project.</td>
<td>2. Request funding to hire temporary external programmer</td>
</tr>
<tr>
<td></td>
<td>3. Delay implementation</td>
</tr>
<tr>
<td><strong>2. Risk: Lack of proficient trainer resulting in dissatisfaction with training classes.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Strategy:</strong></td>
<td><strong>Contingent Action:</strong></td>
</tr>
<tr>
<td>BFA shift day-to-day support function to other analysts and allow sufficient time for Finance/Grant analyst to prepare and conduct training sessions.</td>
<td>Hire a half-time project trainer to prepare and conduct training sessions.</td>
</tr>
<tr>
<td><strong>3. Risk: Inadequate training results in campus dissatisfaction with Banner applications and misuse of the functionalities.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Strategy:</strong></td>
<td><strong>Contingent Action:</strong></td>
</tr>
<tr>
<td>BFA develop and deliver training to all affected constituents in a timely manner.'</td>
<td>Train power users within each affected area and utilize power users for future training purpose.</td>
</tr>
<tr>
<td><strong>4. Risk: Inadequate budget available to implement best-in-class recommendation as indicated by BPA.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Strategy:</strong></td>
<td><strong>Contingent Action:</strong></td>
</tr>
<tr>
<td>Allocate institutional reserves and/or a permanent budget to the project.</td>
<td>Delay implementation.</td>
</tr>
<tr>
<td><strong>5. Risk: Inadequate or late communication resulting in campus being uninformed of changes.</strong></td>
<td></td>
</tr>
<tr>
<td>Risks and Strategies</td>
<td>Contingent Actions</td>
</tr>
<tr>
<td>----------------------</td>
<td>--------------------</td>
</tr>
<tr>
<td><strong>Strategy:</strong> Develop communication plan designed to inform all affected constituents.</td>
<td><strong>Contingent Action:</strong> Provide timely communication of project.</td>
</tr>
</tbody>
</table>

6. **Risk:** Inadequate testing plan results in module not working as designed.

<table>
<thead>
<tr>
<th>Strategy:</th>
<th>Contingent Action:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop and implement adequate testing of all changes and the results.</td>
<td>Develop, document and execute test cases to ensure all outcomes are as anticipated. Conduct readiness assessment with both users and consultant prior to “go live”.</td>
</tr>
</tbody>
</table>

7. **Risk:** Lack of audit trail results in increased auditor questions and scrutiny.

<table>
<thead>
<tr>
<th>Strategy:</th>
<th>Contingent Action:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Document all changes for audit purposes, including pre and post changes; Include Internal Audit on Steering Committee.</td>
<td>Map all changes within each modified module.</td>
</tr>
</tbody>
</table>

8. **Risk:** Inadequate internal controls results in data integrity issues.

<table>
<thead>
<tr>
<th>Strategy:</th>
<th>Contingent Action:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Document all changes in permissions and internal control processes, obtaining recommendations from Internal Audit as needed.</td>
<td>Conduct readiness assessment prior to “go live”.</td>
</tr>
</tbody>
</table>

**Feasibility Recommendation**

The Executive Policy Advisory Committee affirms that the Banner Initiatives Project, Phases 2, 3 and 4, as defined in this Charter, are feasible, and commits all necessary resources to the project to ensure its success, as defined in “Roles and Responsibilities”.

Richard Van Den Hul  
Vice President, Business and Financial Affairs  
*On behalf of the Executive Policy Advisory Committee*