



PHASE III TRANSITION PLAN

Department of Education Student Financial Assistance

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FMS Transition Plan

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1. Introduction

1.1 Transition Overview

This **transition plan** will address planning needs and issues across all areas of implementation for Phase III of the SFA Financial Management System (FMS). FMS, an Oracle Federal Financial System, manages the flow of all financial information across all of SFA. It will facilitate SFA's transformation by giving it the ability to report information across programs, consolidate redundant processes, and account for SFA grant and loan financial transactions.

1.2 Transition Approach

Due to the complexity of both the organization environment and the technical environment at SFA, the implementation of FMS Phase III requires significant coordination. Transition Management addresses these complex coordination requirements.

While the Phase III FMS Project Workplan includes the detailed steps involved in every application project management and system development lifecycle phase of the project, it does not isolate and focus on the issues and steps required to transition the CFO and SFA organization, business, and technology environments to the new Phase III FMS solution. This **transition plan** addresses those issues and steps. The FMS Phase III Transition Management team has developed release checklists, included as Appendix A to this plan, to manage the detailed pre-requisites which must be completed before each release can go into production. The detail, which follows in this **transition plan**, is organized into the main categories of transition issues affecting the FMS implementation: Organization, Business, and Technology. Communication and Training play a very large part in addressing the transition issues, and have been incorporated into the entirety of the workplan, not just the final stage. External issues are a consistent additional impact that must be addressed continuously due to their constantly changing nature.

Note that the Transition Team for Phase III FMS takes on the responsibility for identifying the transition issues within this plan. Until the Phase III FMS requirements and functional designs are completely built through the joint efforts of the CFO teams, FMS team, and Program area teams, all transition tasks can not be identified and managed. For example, the total number of FMS end users will depend on the business process and business function detailed input given to the FMS functional architects by the CFO and Program areas. As the program-specific solution designs become finalized, the resulting additional transition tasks will be identified and communicated to the SFA FMS Project Manager and CFO.

The actual execution of the transition plan will be shared among SFA CFO and other channels and partners. Across the main categories of transition issues, ownership divides among different parts of the SFA organization. Ownership of determining *organization* changes required or supported by the FMS implementation is held by the CFO, other General Managers, and the SFA Human Resources Organization. Ownership of managing *business* changes required and supported by the FMS implementation is shared between the CFO and other General Managers. Ownership of managing the *technology* changes is shared between the CFO and the CIO.



2. Organization

2.1 Change

Office of the CFO

The SFA Office of the CFO, prior to implementation of the FMS, had responsibility primarily for oversight of the financial management and accounting activities, which took place in other parts of the Department of Education and SFA Channel organizations. With the implementation of the FMS, additional activities will come under the scope of responsibility of the SFA CFO.

The strategy for addressing the impacts of the FMS implementation on the CFO differs in the immediate term and in the long-term approach.

Immediate term (in the next six months), the transition team will work with the CFO and Deputy CFO, using detailed responsibility worksheets, to map the roles required to manage the work of the CFO in the FMS application to the existing teams in the CFO office. In this way, the CFO office will effectively organize around the business processes supported in the FMS implementation. (See Appendix B, Responsibility Worksheet, to review the worksheet template for use in the role mapping.)

The long-term strategy involves utilizing SFA's Employee Development Center. The Employee Development Center, when it completes design and opens to the employees of SFA, will house numerous career resources for SFA employees. Effectively, it will provide the infrastructure for the organization's employee career development. Employee self-conducted skill inventories will be taken together with facilitated SFA GM input to strategically align the SFA enterprise goals with the skills and goals of the employees. This includes those employees within SFA's office of the CFO.

Collaboration is required among three related initiatives:

- ✓ The SFA Transformation Team - which developed the Employee Development Center,
- ✓ The CFO Transformation Teams – which have focused on the Vision of the CFO office, and are now addressing Roles and Responsibilities, and
- ✓ The FMS Transition Team – which addresses the human, business and technical changes associated with this new system.

This collaboration effort among the three initiatives listed above must also involve SFA HR when the FMS functional requirements and designs, with input from the program area teams, have enough information to support decisions about role and organization impacts.

Note that there is a risk inherent in the short-term, long-term strategy approach. Because a skills assessment will not be completed prior to the FMS implementation, there is still the outstanding question as to whether the existing CFO resources have the appropriate skills to manage the SFA financial activities and use the FMS application. A skills assessment has not been completed due to certain union regulations pertaining to the conduct of employee assessments. Self-assessments can



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be in compliance with union regulations, and as soon as the infrastructure in SFA is in place to facilitate the self-assessments, a skills inventory can be gathered for the CFO team. The FMS team will mitigate the risk associated with its approach to the organization change by closely coordinating with the SFA Transformation Team, which manages the creation of the Employee Development Center. Due to the needs of the CFO, which arose in Phase II FMS, the CFO team is already positioned as one of the top priority teams to be scheduled for the resources in the Employee Development Center.

Channels of SFA

The program areas within SFA Schools, Students, and Financial Partners channels currently both allocate the budgetary funds and manage the accounting and reporting of those funds. After the implementation of the FMS, many of the accounting and reporting activities will be managed within the SFA CFO. The Channels will continue to manage the Programs themselves from a business function and customer service standpoint; only the accounting and financial activities will transfer to the SFA CFO. The main aspect of change to Channels of SFA occurs during the point of conversion from the program area to the CFO office. This change, incurred by the FMS implementation, will require attention by FMS project management and sponsors. This one time change aspect is addressed later in this document, under Technology.

Note that the work involved in the conversion efforts from the program area systems to the FMS application will be negotiated as to its priority within the schedule of the rest of the program area work. The CFO will have ongoing communications with the other program area General Managers, as outlined in the ***Communication Plan***.

External to SFA (Customers, Suppliers, Partners)

Some of the manual- and paper-based processing for program participation, which currently takes place within SFA customer, supplier, and partner groups, will be replaced by automated or electronic processing.

For example, Phase III FMS will enable similar capabilities to that of Phase II FMS. In the Phase II FMS implementation, the Guarantee Agency application forms were converted from paper-based forms to electronic applications. In Phase III FMS, the LEAPP/SLEAPP program application forms will be converted from paper based to electronic applications.

The main aspect of this conversion from paper-based to electronic which requires transition attention is in the areas of training and communication. Both pre- implementation “coming soon” and implementation week communications will be employed, as well as detailed training and job aid materials. Refer to the Training section of this document for more detail.

Department of Education

The accounting and financial management for SFA currently rolls up from a number of separate applications within SFA channels to the Department of Education Financial application, Information Engineered Federal Accounting Reporting System, i.e.FARS. The i.e.FARS supports the creation of



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the financial statements for the Department of Education, and is considered the accounting “system of record” for audit purposes.

After the final phase of FMS is implemented, it will serve as the sole, consolidated source in support of the Department of Education accounting system of record for SFA.

The primary transition issue associated with the Department of Education change in Phase III FMS centers around communication and collaboration. The FMS Team must develop strong working relationships with their counterparts on the Department of Education teams. Additionally, the SFA CFO and the Department of Education CFO must communicate on a regular basis. In this way, partnership between the two teams in working towards the modernization goals is ensured.

2.2 Organization Points of Contact

Due to the high degree of integration needed between the FMS team and teams external to the SFA CFO channel, frequent collaborative contact must be maintained between key designated points of contact on each team. This initiative is required to ensure the design, build and successful implementation of the Phase III project, The table below lists those contacts. Refer to the Communication section of this document for details on the strategy behind working with team members external to the CFO and FMS teams to collaboratively build a successful financial system.

<i>Program Interfaces with FMS</i>	<i>Responsible Party/ Functional P.O.C.</i>	<i>Testing P.O.C.</i>	<i>PRR P.O.C.</i>
GAPS	Bob Smith, Becky Harding	Becky Harding	GM
Pell	Tony Liang	Alexandra Pattaras	GM
Campus Based	Dick Coppage	Rich Bennett	GM
Direct Loan – LO	Mike Murray, Gizelle Delgado	Giselle Delgado	GM
Direct Loan – LC	Quynh Holzeimer	Corwin Jennings	GM
Direct Loan – LS	Al Prodgers	Al Prodgers	GM
Debt Collection	Brian Sullivan, Sheree McGriff	Adele Gabrielle	GM
Leapp/Sleapp	Greg Gerrans	Greg Gerrans	GM
Dept of Education (FMSS)	Steve Sirk, Scott McClure, Heather Cocozza		GM
FFEL Lender	Angela Roca Baker	Pat Deutsche	GM



3. Business

3.1 Change

After the legislated creation of the Office of Student Financial Assistance as a Performance Based Organization in October 1998, steps to develop the strategy and independence to achieve Performance Based Organization goals began. Financial Management represents one area of change required to meet the new goals.

To meet strategic objectives of SFA, the student assistance loan and grant programs' financial management required modernization and streamlining. The financial and accounting functions are therefore moving to one consolidated area, the SFA Office of the CFO.

The Financial Management System (described in technical detail in the following section) is the tool which will support this new vision of the SFA CFO as the strategic center for Financial Activities.

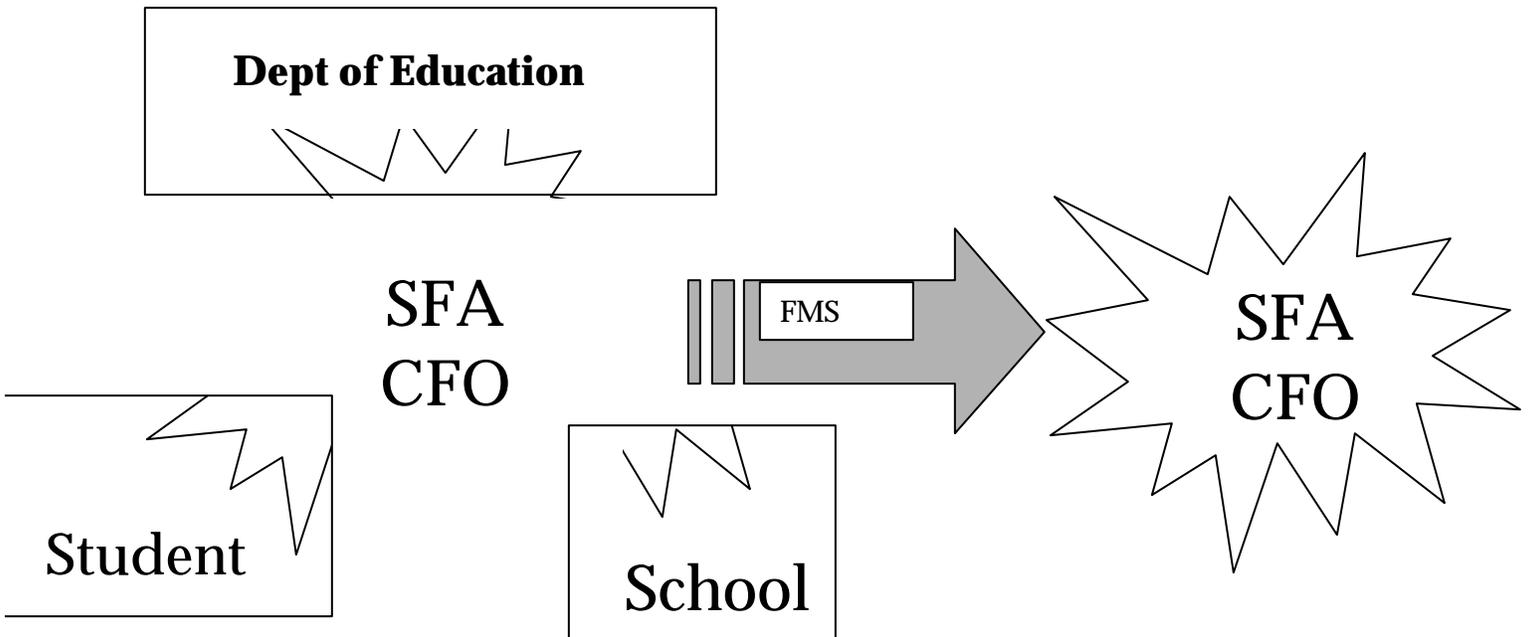
The following diagrams depict the SFA organization location of accounting and financial activities before and after the CFO implementation of FMS. **Diagram A** denotes the fragmented location in multiple divisions of the SFA accounting/ financial management functions before FMS, moving to one consolidated location for accounting/ financial management after the FMS implementation. **Diagrams B and C** depict the business flow of data between channels before and after the FMS implementation.

Refer to the training section of this document and to the **Training Plan** for detail on the potential training approaches to address training needs due to the business changes in accounting and financial management in SFA.



Diagram A – Before and After FMS

FMS implementation supports consolidating the business of accounting and financial management.





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Diagram B – Data Flow before FMS

Flow of accounting and finance data before FMS implementation.

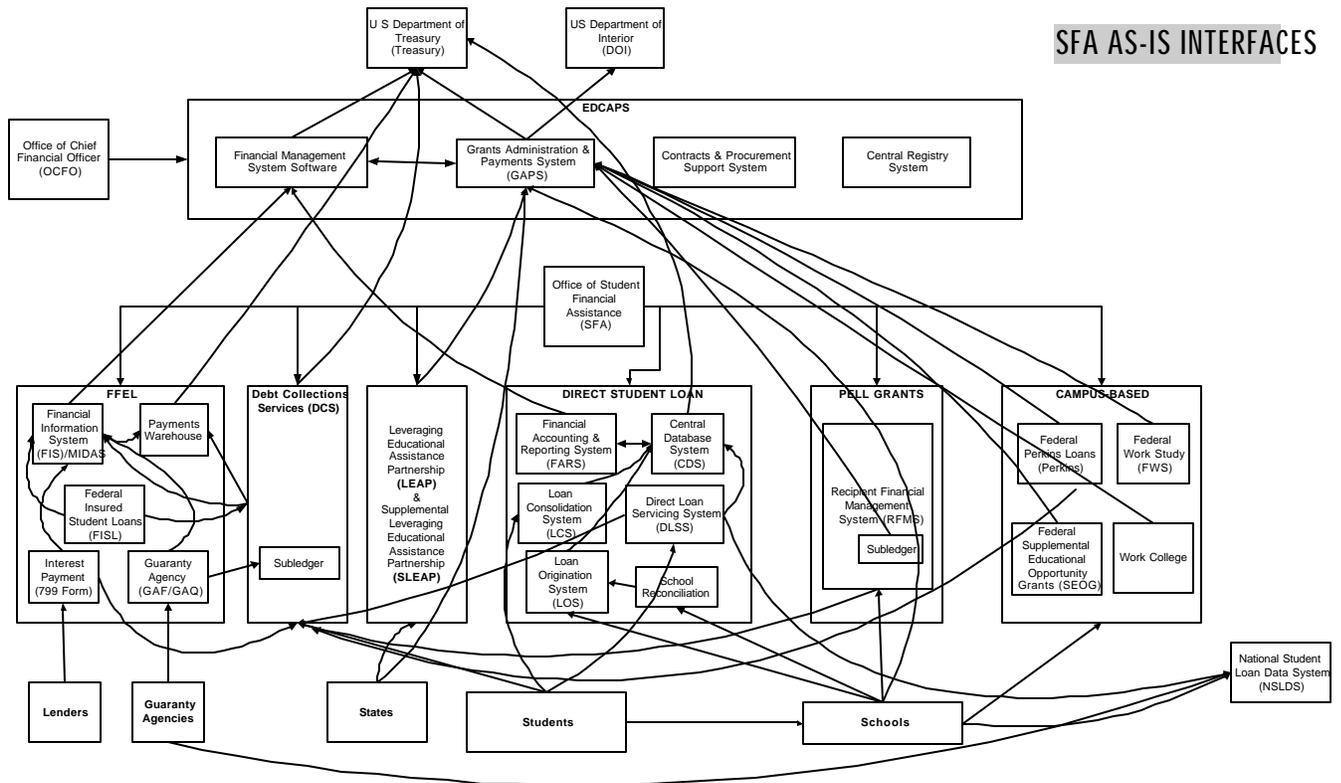
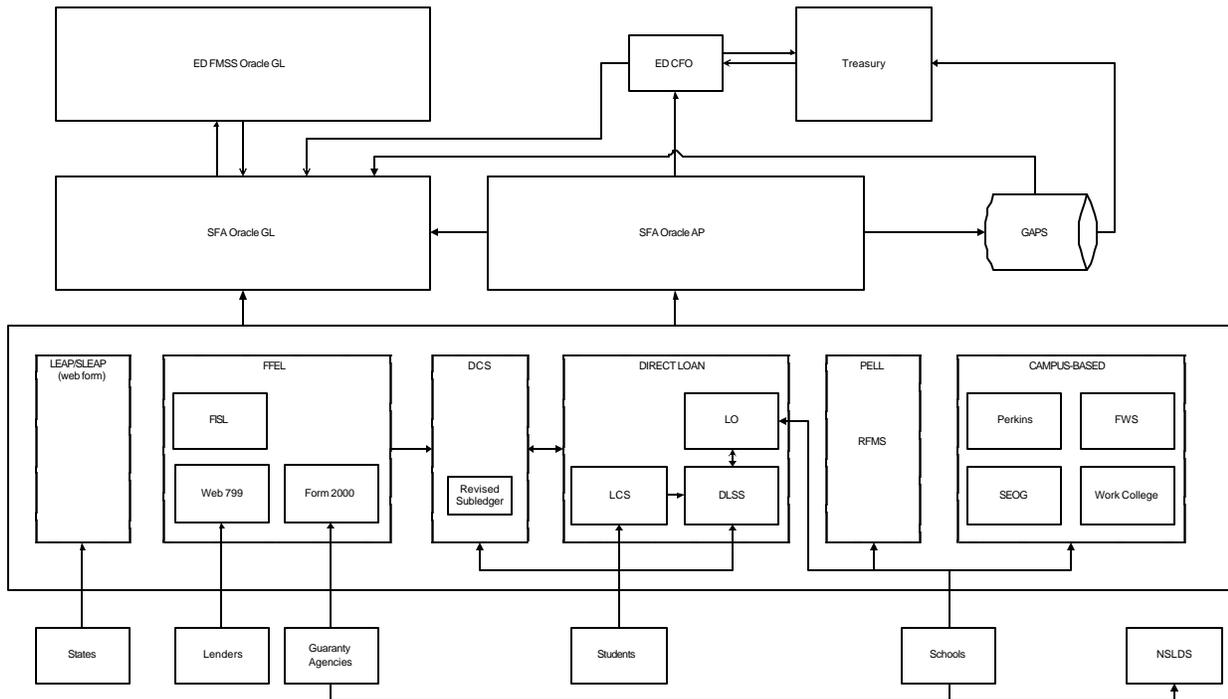




Diagram C – Data Flow After FMS

Flow of accounting and finance data after FMS implementation.





4. Technology

4.1 Change

The main focus of Phase III FMS project includes building interfaces (file transfers of data) from other applications to the Phase II Oracle Financial application. The Oracle application, which went into production for the SFA CFO in September, 2000, will not significantly change as a result of the Phase III FMS project. The biggest change implemented in Phase III FMS will be the consolidation and centralization of all accounting and financial data in SFA into one system: the FMS application. For this reason, building the interfaces to the FMS application constitutes the bulk of the Phase III project work.

The following diagrams depict the technical architecture of the Phase II and Phase III FMS solutions. Note that the primary change from Phase II to Phase III is in the elimination of the VPN software used to connect from external sites to the electronic forms. In Phase III, Internet connectivity is supported with an additional web server. Likewise note that no upgrades to the Oracle package software will be conducted during FMS Phase III.

The Phase III architecture can also support Guaranty Agency functions currently performed under Phase II. The GA requirement to access their FMS functions via VPN can be eliminated by:

- Migrating current GA functions from the “internal” web/form servers to the “external” servers, and
- Integrating GAs into the Phase III HTTP file transfer process.

After migration, access via VPN can coexist with the Phase III architecture assuming the GA interface remains on the “internal” web/form server. GA training can be performed in phases; as GAs undergo training to use the new access method, their VPN and FTP userids can be deactivated.

The timing as to when the GAs will be converted to direct web access has not been determined but will probably not be this year.

ED CIO procedures require obtaining network certification for software installed on client workstations. In the FMS environment, Oracle’s Discoverer reporting tool software may be subject to certification; the FMS Technical Architecture team is currently working with them to determine what, if any, network certification activities are required with respect to this software package. Network certification activities are not required for Oracle Federal Financial software and FMS extensions (e.g., Guaranty Agency, LEAPP/SLEAPP) because they operate through a client workstation’s web browser software (e.g., Microsoft Internet Explorer, Netscape Navigator).

The FMS Technical Architecture team is currently performing capacity planning activities on its production and development environments. Actual usage statistics and forecasts of expected usage will be analyzed to forecast expected computer resource requirements.

The release checklist included in Appendix A to this document includes the steps that must take place to address the development lifecycle and project transition issues of building the Phase III solution. This includes the steps for building the interfaces and the steps for enhancing the architecture. For each release of the Phase III FMS application, a release checklist will be utilized to make sure that all



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areas of development and deployment have been addressed in the appropriate timeframe prior to and during the “go-live” period.



Diagram D – Phase II Technical Architecture

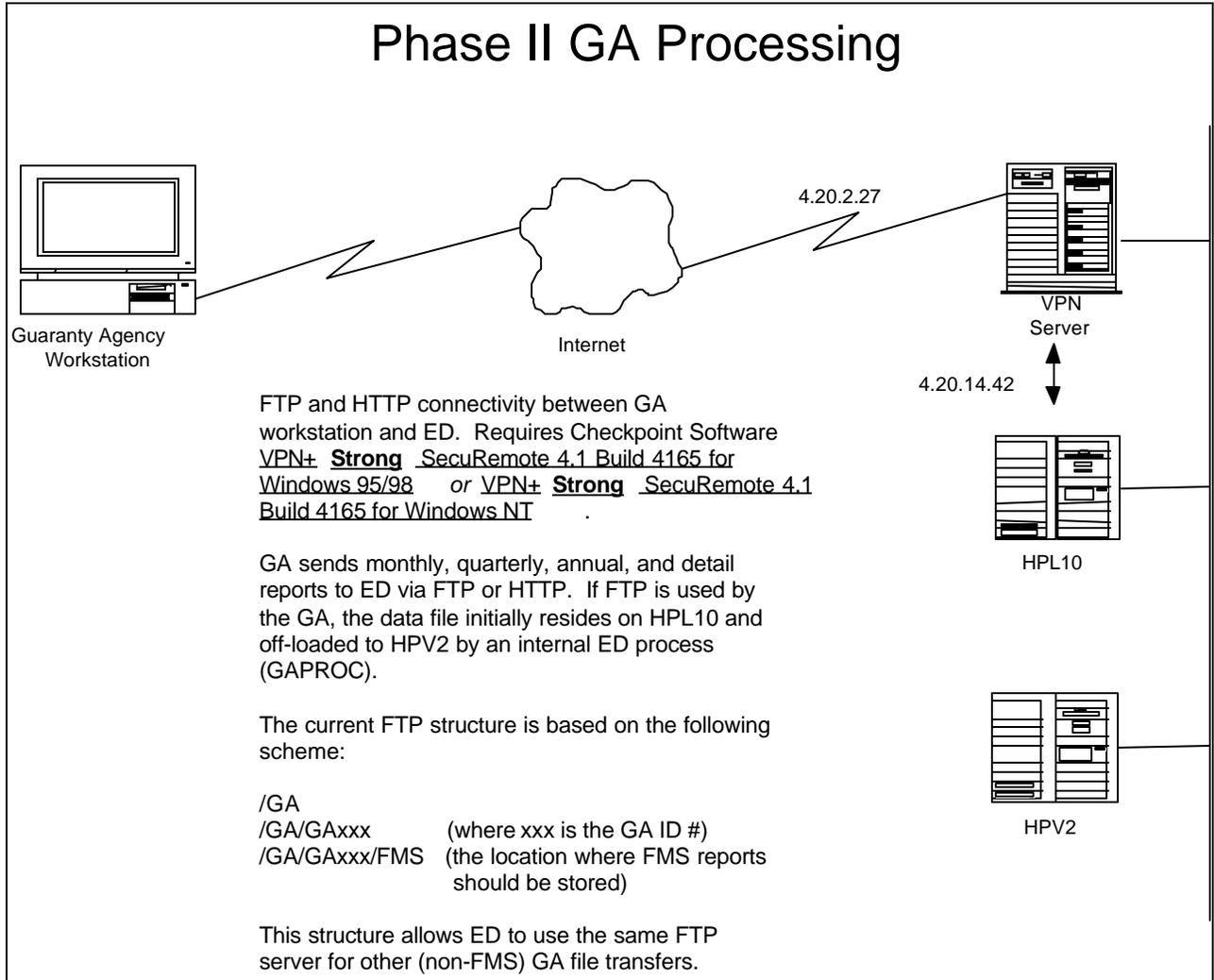
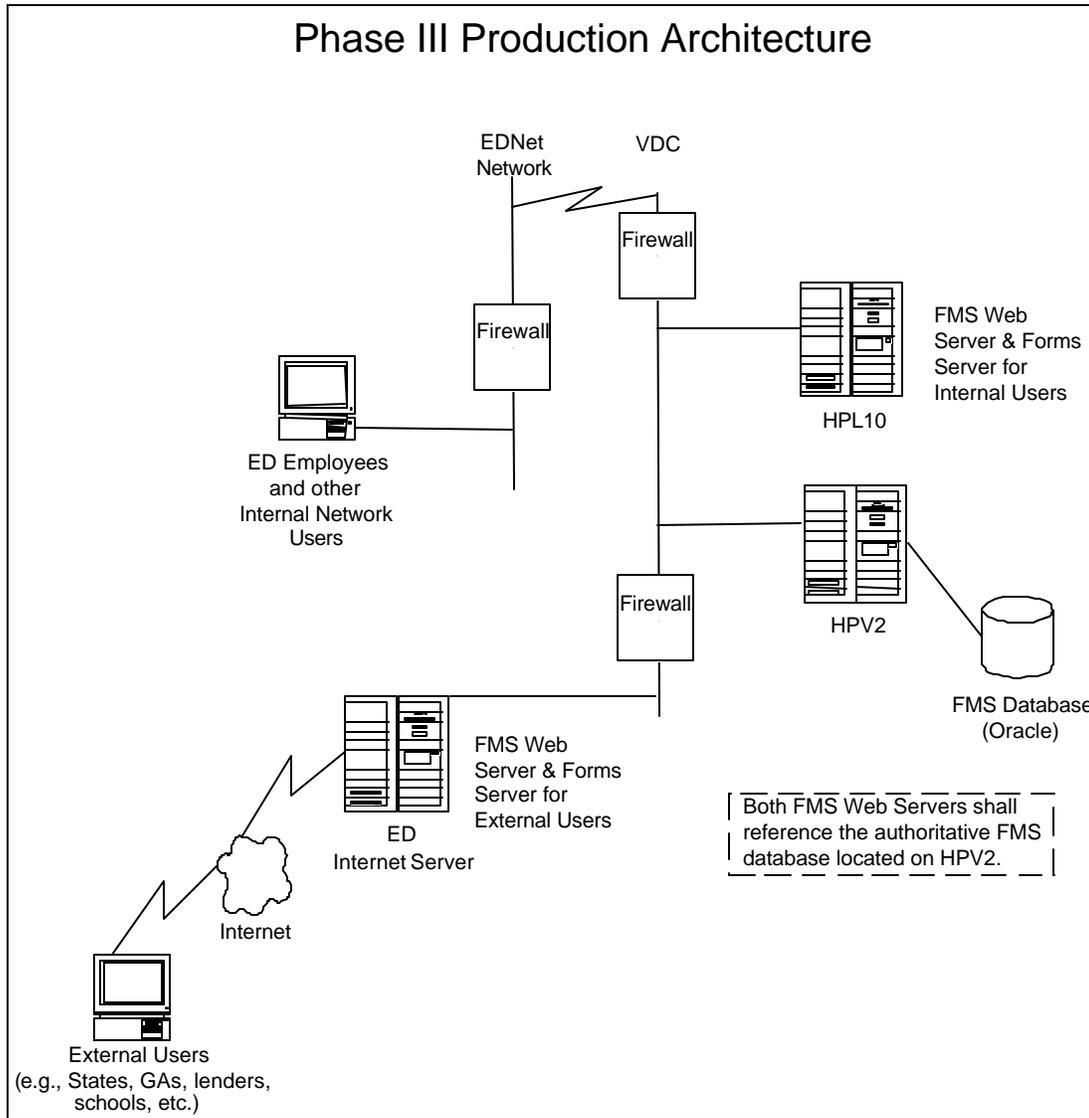




Diagram E – Phase III Technical Architecture





4.2 Key Lifecycle Areas

Within the technology focus of the FMS Phase III implementation, there are key areas which require project management and sponsor attention and decision before the successful implementation of each release. The Release Checklists (Appendix A) reflect the steps that must occur to address these key issues.

As previously referenced, the supplemental **Training Plan** and **Communication Plan**, as well as the Release Checklists, address the above lifecycle areas in more detail. The following Conversion Section addresses the detail of the day of conversion to the live FMS application:

4.3 Conversion

Because the implementation of the Phase III FMS solution involves the one time, up front transfer of data from multiple existing SFA applications, the day-of cut-over activities require significant advance planning. Considerations for the Conversion Plan include the following:

Data Element Mapping:

The Data Element Mapping describes the program and legacy application fields to be converted and the corresponding destination application location in Phase III FMS. Not only does this mapping facilitate the data conversion process by mapping specific fields, but it can also be used as a training tool to educate users about the new Oracle fields, examples of acceptable values in these fields, and the corresponding legacy application field.

The detailed procedures by which the population of these fields is executed are included in the detailed data conversion plan. The high level procedures are outlined below.

Conversion Procedures:

Vendor Conversion

1. Using batch load routines, load all vendor data from the programs being converted for the release into Oracle staging tables.
 - Pell
 - Campus Based
 - Debt Collection Services
 - Direct Loan
 - FFEL
2. Move extract file to a common record layout in a work area to begin to run basic data cleanup scripts (e.g. remove punctuation, all caps)
3. Present coded file to users to perform data cleanup (typographical errors, duplicate vendors, proper names).
4. Run compare routines to eliminate duplicate records.
5. Run load routines to move data from staging tables into FMS application.
6. Run Vendor Merge to move common vendor header information into a single record.



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7. Run Vendor Merge to move all site information into the common header and keep unique site information by Program
8. Return failed vendor load data to users for cleanup and reload.
9. Repeat steps 1 – 8 for additional required program vendor conversions.

Balance Conversion

Program balances will need to be converted to support FMS Reporting requirements. The level of program data to be converted should be consistent to support the SFA requirements. Program level reporting beyond the details needed to support SFA should be addressed within the program itself or the COD project.

Data Conversion Issues:

- Timing of Loan Servicing data storage needs (volume may require separate database)
- FFEL retirement impacts – is loan level data currently stored
- Commitments for resources to help with data cleanup and conversion validation should be agreed to months in advance of the implementation date



5. Communication

Because of the number and complexity of the stakeholder groups for the FMS Phase III implementation, communication becomes one of the most significant critical success factors for the implementation.

A key principle behind the FMS Phase III **Communication Plan** is “tell them seven times in seven ways”. In other words, the purpose for the FMS implementation, as defined and approved by the SFA Chief Operating Officer and the Management Council, must be shared with all the stakeholders as often as possible and through a variety of venues. (e.g., SFA FMS Demonstrations, Channel Status Meeting Updates, Management Council Meeting Updates, Newsletters, Web Site Updates, etc.) The primary audiences for FMS communications include the key executive sponsors: SFA General Managers and Department of Education executives. Additional audiences, who should be communicated to by the Executives, include program area Management and the Phase III FMS End-Users.

The key messages of the FMS Phase III **Communication Plan** include the following:

Executives within SFA must understand:

FMS is a single, centralized, integrated Financial Management System utilizing Oracle Federal Financials that incorporates full financial business functionality across programs. It ensures success through a phased implementation that includes well-planned data conversions, smooth interfaces, and comprehensive training with minimal disruption to the program areas.

SFA's Vision (according to the *Concept of Operations*): SFA's vision is to implement an Integrated Financial Management System that complies with the Joint Financial Management Improvement Program (JFMIP), Modernization Blueprint, and other legislative and regulatory requirements in a timely, effective, and efficient manner.FMS...

- Allows easy entry and retrieval of data by SFA business partners
- Produces accurate financial results to the SFA community, SFA managers, Education's Office of Chief Financial Officer (OCFO) and Education staff and community
- Maintains a core financial system for control and management purposes
- Provides access to sufficient level of data
- Provides timely and consistent data for strategic decisions
- Increases reporting capability across organizational units
- Provides appropriate security, controls, and audit trails

FMS also....

- Complies with the Joint Financial Management Improvement Program (JFMIP) and Modernization Blueprint
- Provides one fully integrated SFA Financial Management System that serves all SFA program areas
- Provides support for financial statement audits at the SFA and Department of Education Level
- Allows the start of SFA independent audits (will no longer require joint audits)



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- Eliminates redundant systems and business processes
- Incorporates “Best in Business” practices
- Optimizes use of Oracle Financial Applications and other COTS solutions
- Reduces systems operations/maintenance costs
- Allows SFA community easy access to pertinent user information such as loans outstanding, current transactions on the loan, etc., with appropriate security/controls

Project Managers should understand the above and:

Phase I included...

- Planning
- Concept of Operations
- Conceptual Design
- Develop implementation plan

Phase II included...

- FFEL Guaranty Agency (GAs) payments - allows GAs to make online submission of Form 2000
- Fixed Assets – allows for inventory control within SFA

Phase III includes...

- Standard SFA G/L with all programs
- LEAPP/SLEAPP
- FFEL Lenders
- Debt Collection Services
- Direct Loans
- Campus Based Programs
- Pell
- Useful Management & Information reports for all managers (cost mgmt, program funds, etc.)

Phase IV will include...

- One integrated FMS that is a fully functioning accounting system (based on Phases 1-3)
- One source of data
- SFA prepares Financial Statements and Monthly (MIS) reports/ reconciliation independently
- Start of SFA independent audits (will no longer require joint audits)
- Final process control across SFA FMS subsystems
- Continuing upgrade

Refer to Appendix C for more detail on the **Communication Plan**.

This detail includes the specific venues to be used in FMS Communication:



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- Management Council Meetings
- CFO Update Emails
- SFA Channel “Road Shows”
- SFA Intranet (SFANET) Pages



6. Training

A number of training needs exist within the SFA Office of the CFO.

- ✓ New hires - there are general new hire orientation training needs for the number of resources who have recently joined the organization.
- ✓ New business - there is supplementary FMS application training required for more of the CFO team members who will be impacted end users of the application.
- ✓ Prerequisite needs - for those CFO team members who will use the FMS application and do not currently have fundamental computing skills, some basic computer skill training needs exist.

The Phase III FMS Training effort will be closely coordinated within the broader transition and training effort underway as part of the overall CFO Transformation.

Refer to the ***Training Plan*** for more detail about the FMS Phase III Training approach. The detail includes specific training deployment approaches.



7. Impacting Issues External to FMS Project

Along with all of the tasks and work products integral to the implementation and success of FMS Phase III which are internal to the project, there are a number of external issues which also impact the implementation:

- Department of Education FMSS Implementation Timeline
- GAPS Redesign Timeline
- FARS Retirement
- FFEL Retirement – Loan Level Data Storage
- CFO Data Mart, Financial Partners Data Mart
- Phase II Operations and Maintenance
- Accounting Support

Mitigating the impact of these issues is not exclusively within the control of the FMS project team. Frequent and consistent negotiation and collaboration with the General Managers and functional and technical points of contact in the channel area for each issue is required.



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Appendix A: Release Checklist



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Appendix B: Responsibility Worksheet



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Appendix C: Communication Plan



Appendix D: Communication Samples