

STATE BOARD OF EDUCATION

May 20, 2003

SUBJECT: University Transition from the State Accounting System (FLAIR) to Individual University Accounting Systems Requiring State Board of Education Approval.

PROPOSED BOARD ACTION

Approve the FLAIR transition plan for Florida Gulf Coast University, Florida Atlantic University, New College of Florida, University of Central Florida, and University of South Florida. Submit to the Executive Office of the Governor and the chairs of the House and Senate appropriations committees confirmation of this verification with an effective date of July 1, 2003. Approve the changes to the DOE management information databases necessary due to this transition.

AUTHORITY FOR BOARD ACTION

Sections 1011.4105 and 1011.90(4), Florida Statutes.

BACKGROUND INFORMATION

Section 1011.4105, Florida Statutes, allows any university to transition from FLAIR to its own accounting system beginning July 1, 2003. To accomplish the transition from FLAIR, the university board of trustees must submit their implementation plans to the State Board of Education for approval. The above listed universities have submitted implementation plans, and certified their readiness to transition to their own accounting system effective July 1, 2003. The remaining six universities intend to transition from FLAIR effective July 1, 2004.

Each devolving university is using standard software; PeopleSoft or SCT Banner. The universities have been working with their contractors, Department of Financial Services staff, other state agency staff and DOE staff for over a year in preparing for their transition from FLAIR. Each university's inspector general has reviewed and verified that the systems being implemented have adequate internal controls, and will meet the needs of the university and the continued reporting requirements of the state.

The universities submitted their transition plans to the State Chief Financial Officer (CFO) prior to January 2, 2003. Upon review, the State CFO responded favorably to each university's transition plan. The universities then submitted their transition plans and State CFO approval letters to DOE on March 3, 2003.

A DOE team was appointed to review each university's plan. The team consisted of the following members:

Chris Kinsley, Comptroller
Tom Daffin, Deputy Comptroller
Tim Jones, Director, University Budgets
Charlene Waltz, Facilities Budgeting Administrator
Martha Fields, Director, Information Research Management
Joe Knicely, Director of Audit Resolution
Dan Hixson, Office of the Inspector General
Bob Henker, Associate Vice Chancellor, Division of Colleges and Universities

For over a year DOE staff members have been cooperatively engaged with the devolving universities to make this transition successful. The DOE team reviewed each university's plan and submitted a series of clarification questions on specific points of each plan as needed. Further, each president submitted a certification letter indicating that their university was ready to transition to FLAIR. DOE will continue to provide technical assistance to each of the devolving universities during the transition period and will continue to work with the universities planning to transition in 2004. Additionally, participation in the Department of Financial Services weekly devolution team meetings provides a continuing opportunity to address challenges and concerns.

The statutes specify that the Board continue to collect and maintain at a minimum the management information databases existing on June 30, 2002. The proposed changes to Operating Budget/Expenditure Analysis Data for universities implementing new financial systems address changes needed to provide the same level of information when information is provided from different sources than the previous accounting and payroll systems. The document has been reviewed by universities, staff of the appropriations committees of the House and Senate, the Executive Office of the Governor, CEPRI, and OPPAGA.

The team recommends approval by the Board of all FLAIR transition plans and the proposed changes to the budget/expenditure database information.

Supporting Documentation Included:

- 1) University Certification of Readiness
- 2) State Chief Financial Officer Approval
- 3) Proposed Changes to Operating Budget/Expenditure Analysis Data for Universities Implementing New Financial Systems.

Facilitators/Presenters: Wayne V. Pierson