WE HAVE LIFTOFF: HOW PURDUE UNIVERSITY TRANSITIONED TO SAP S4 HANA
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About the Speakers

Stacy Umlauf

• Assistant Director, Data Control, Purdue University
• Thirteen years of experience at Purdue University with experience in Cost Accounting and Financial Reporting.
• Served as Director of Finance Transformation for the recent Transform Purdue project.
Key Outcomes/Objectives

1.
2.
3.
Agenda

• Project Overview
• Process & Lessons Learned
• Next Steps
• Questions
About Purdue University

Enrollment:
• Undergraduate: 31,006
• Graduate: 9,626
• Total: 41,573

International Students:
• 3rd most in the U.S.
• No. 1 Choice for international students studying STEM in the U.S.

Faculty Headcount: 8,533
Student-Faculty Ratio: 12:1

Degrees Awarded:
• 1874-2016: 482,500
• 2016-2017: 10,671

Patent Ranking: 12th in world

Multi & Virtual campuses

Purdue University West Lafayette
Purdue University Northwest
Purdue University Fort Wayne
Purdue Colleges at IUPUI
Content

• 50+ Design workshops and 700+ Processes analyzed
• S/4 HANA 1610
• GL, CO, AP, AR, PS, FM, GM, TR, EAM, PPM, HCM
• Ariba, Concur
• 100+ Development Objects
• 60+ Interfaces
• 10+ Workflows (Ariba and Signature Delegation)
Project Preparation & Blueprint

Project Preparation – Purdue team make up/Consulting
• Purdue Finance team made up of cross-functional team with at least 10 years of University experience from across the University including
  • Business Management – Academic Perspective
  • Sponsored Program – Sponsored perspective
  • Central Accounting – GASB, executive reporting, other system implementations (Ariba, Concur)
  • Financial Planning & Analysis – budget, BI, reporting
  • IT – experience with supporting current systems and familiarity with current processes

Blueprint
• Subject Matter Experts (SMEs) from all Purdue campuses participated
• Focused on process improvements, eliminating business pain points, and reporting requirements
• Reviewed findings and recommendations with leaders and SMEs from each area to obtain sign-off/approval
Key Decisions Out of Blueprint

• Faculty Allocations methodology brought together ALL faculty accounts in one structure
• Definition of Business Areas at the college level
• Definition of cost center/department to align with HR data
• Elimination of PSCD in favor of FI-AR for all non-student receivables
• Elimination of 99% of University Fund elements
• Consistent methods to track items across campuses, colleges, and departments
• Creation of new workflows eliminating approvals for transactions <$1,000
• Upgrade to S4 HANA
Engaging the Business Community

Realization
• Developed visual Org Charts for Business Owners to visualize the new structure
• Utilized account conversion database to create reporting mock ups utilizing new structure to report prior year data
• Weekly design sessions/open issues discussions with CFO, Comptroller, Directors of Business Management & Financial Planning and Analysis
• Bi-weekly engagement at DFA meetings allowing information to cascade through the business management organization
• Visited regional campuses to deliver in person content and training sessions
• Early engagement with all 3rd party systems both internal and external (what’s changing and the impacts to the additional systems)

Testing
• Started small with most experiences testers to find initial issues and work out security issues
• Add additional more inexperienced testers for later testing cycles to build system confidence
Data Clean Up – When you think you’re finished; you’re wrong

• Account Conversion
  • Inconsistent accounting made this conversion very manual
  • Database allowed for
    • Real time crosswalk pulls for data conversion
    • Real financial data could be pulled into new structures to show impact
• Vendor/Customer/Business Partner Clean Up
  • Significant number of student customers were eliminated from the SAP system; all student receivables transitioned to Banner
  • Vendors – some clean up occurred but more should have been done
• Purchase Order Clean Up
  • Closed out thousands of Purchase Orders from as far back as FY2013
  • Converted less than 2,000 purchase orders
Additional Lessons Learned

• Work closely with S/4HANA Customer Care team on S/4HANA fixes, industry solutions, and escalation.
• OSS NOTES are critical for S/4HANA Releases, 1511, 1610, 1709. We have implemented 150+ OSS Notes with a focus on 3 key areas with NEW OSS Notes releases for the Purdue University Project
• Strict IT Governance preparing for cutover. Mandatory OSS Notes, transports and development changes ONLY
• Practice, practice, practice – we performed 7 conversions between SBX, DEV, QAS x2 + 2 Cutover rehearsals which provided the team confidence going into go-live
• A strong team makes a world of differences – different backgrounds, different view points, and different personalities make the best product.
Where are we now? Master Data Metrics
Project Goals - Accomplished

✓ Automation & Process Simplification
  ▪ 90K transactions to-date through e-workflow
  ▪ Grants: Budget uploads, status changes, award notifications, dunning notices

✓ Simplified, consistent structure
  ▪ Over 90% of non-central BA’s use 7 or less funds

✓ Finance module reconciliation
✓ Balance sheets and cash ownership by unit
✓ Management controls in place
✓ Accessible reporting
Other Project Successes

- Transparency (as of 2/28)
  - Startup - $50.6M liability
  - R&R - $98M balance
  - Restricted Gifts - $13M YTD surplus
  - Faculty Allocations –
    - $49M spend
    - $109M balance (w/o startup liability)
- Fiscal approvals reduced
- Improved gift management practices
- Streamlined master data setup
- Rekeying eliminated
  - DIV’s, etc.
- Cost share commitment tracking
- Cost share transfer/recon reduction

- Streamlined sponsor invoicing
- Faster sponsor setup
- Enhanced grant master data
- Planning and projection tool
- Leveraging new infrastructure for additional improvements
  - E.g. wire approval process
- Reserves/earmark structure available
- Easily identify/correct new problems
  - E.g. asset disposal problem
- Synchronization with HCM/EAM structures
Going Forward – Maintaining Success

Master Data Governance – Master Data Team
- Controls new additions to the system and changes to existing fields
- Conducts monthly audits to identify issues
- Annual Review of IO/WBSE, Cost Center, and GL utilization

FI/FM Recon - Accounting
- Identifies any new issues after monthly close, corrects
- Monthly close/review process for Business Areas

Support/Issues Management
- Managed by joint team from Accounting/FP&A/Master Data
- Provides inputs to process improvement and IT work streams

Process improvement prioritization – Comptroller and Sr. Dir/FP&A
New functionality and technical enhancement prioritization
- Establish priorities with IT

Training – Accounting/FP&A
- Financial management standard practices
Next Steps

• Business Partner
  – Continue master data clean up
  – Explore use of Fiori for master data creation, searching

• Reporting

• Data Integrity & Consistency
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Presentation Materials

Access the slides from 2019 ASUG Annual Conference here:
http://info.asug.com/2019-ac-slides
Q&A

For questions after this session, contact us at [email] and [email].
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