



Finance
Knowledge Transfer Session 1
Financial Overview (FI100)

Agenda

- 🕒 Overview
- 🕒 Module 1: SAP System Landscape
- 🕒 Module 2: Financial Accounting (FI)
- 🕒 Module 3: Controlling (CO)
- 🕒 Module 4: Funds Management (FM)
- 🕒 Module 5: Grants Management (GM)
- 🕒 Module 6: Reconciliation
- 🕒 Module 7: Learning Activities
- 🕒 Review and Summary

Course Learning Objectives

- Upon completion of this course, you should be able to:
 - List benefits of the SCEIS SAP Financial Overview
 - List the key changes
 - Describe the high level process flow
 - Identify all financial modules
 - Explain how account postings are transferred among financial modules.
 - Describe how each Finance (FI) module interacts with the others to perform business functions

Benefits of the SCEIS SAP Financial System



- ④ Integrated system
- ④ Real-time queries and reports
- ④ Documents can be parked
- ④ Drill down capabilities
- ④ Direct postings
- ④ Real time reporting
- ④ Postings to one ledger

Key Changes

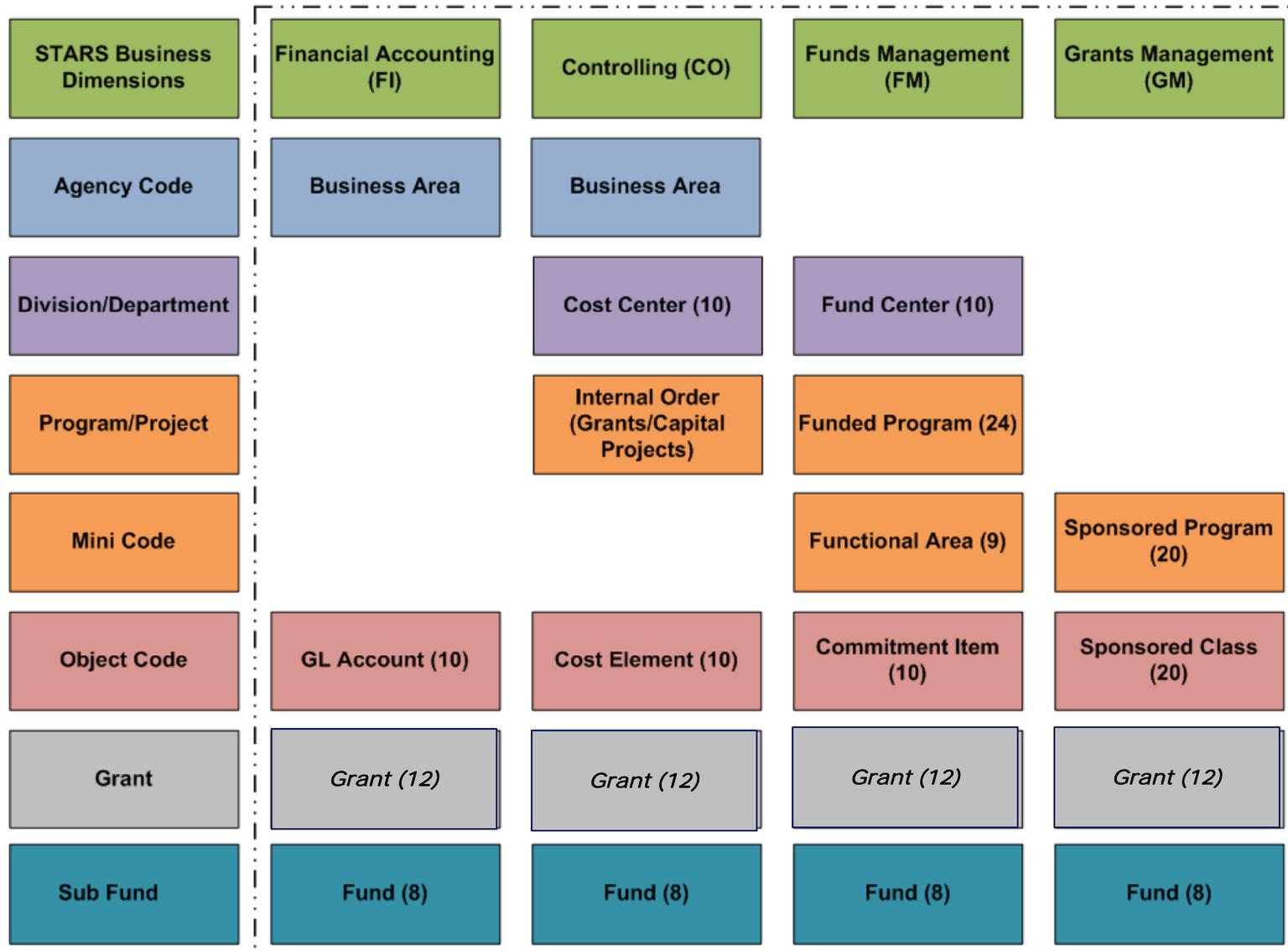
- One system (no longer an agency system and STARS)
- Results are posted immediately to balances
- Consistent financial system among agencies

Master Data Overview

- Most FI transactions will require the following SAP Master Data Items to be entered:

SAP	STARS
Cost Center (CO)	Department
Functional Area	Agency / Mini code
Fund (FM)	Sub-fund
G/L Account (GL)	Object Code
Grant (GM)	Project/Phase
Business Area (FI)	Agency

SCEIS FI Data Structure & Integration





Module 1: SAP System Landscape

Module 1 Learning Objectives

- Upon completion of this module, you should be able to:
 - Define key terms and concepts.
 - Describe the SAP modules and how they interact with the finance modules.
 - Explain what each Finance (FI) module does.

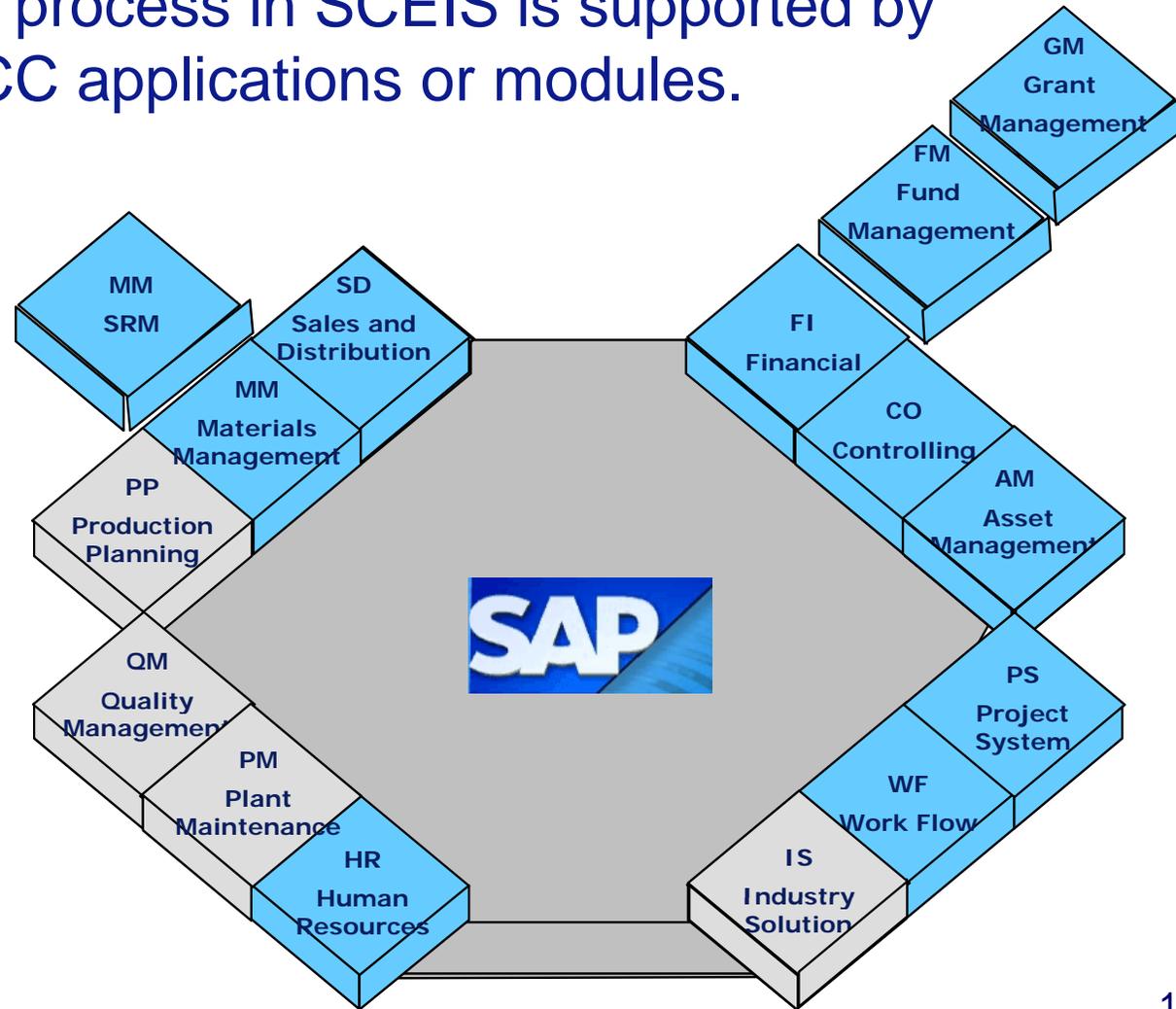
Key Terms and Concepts

- Master Data
- Transactional Data



SAP Modules

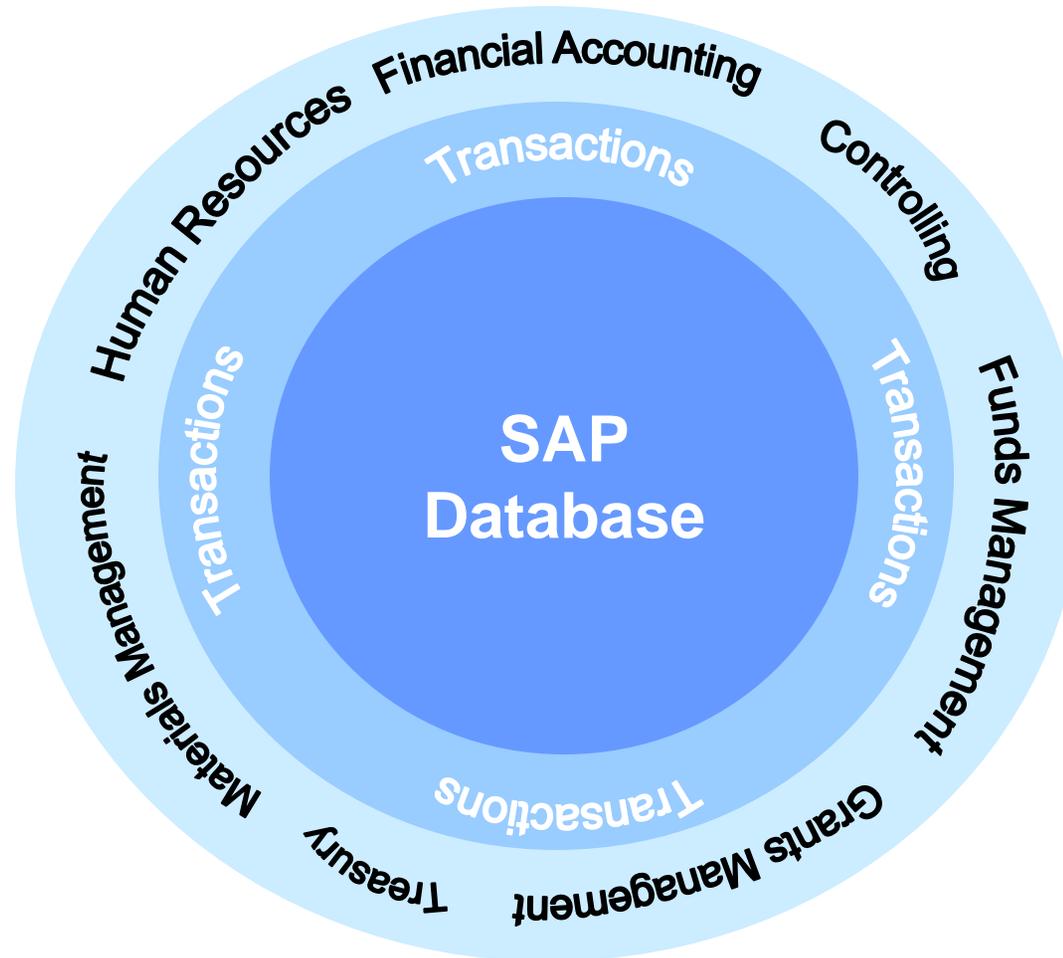
- Every business process in SCEIS is supported by one or more ECC applications or modules.
- ECC is the underlying technology upon which the individual SAP components or modules are built.



SAP Modules, con't

- All the SAP modules are tightly interlinked and feed data to one another.
 - Data entered in one module are available to all modules.
 - Data are available for display or print immediately after entered.

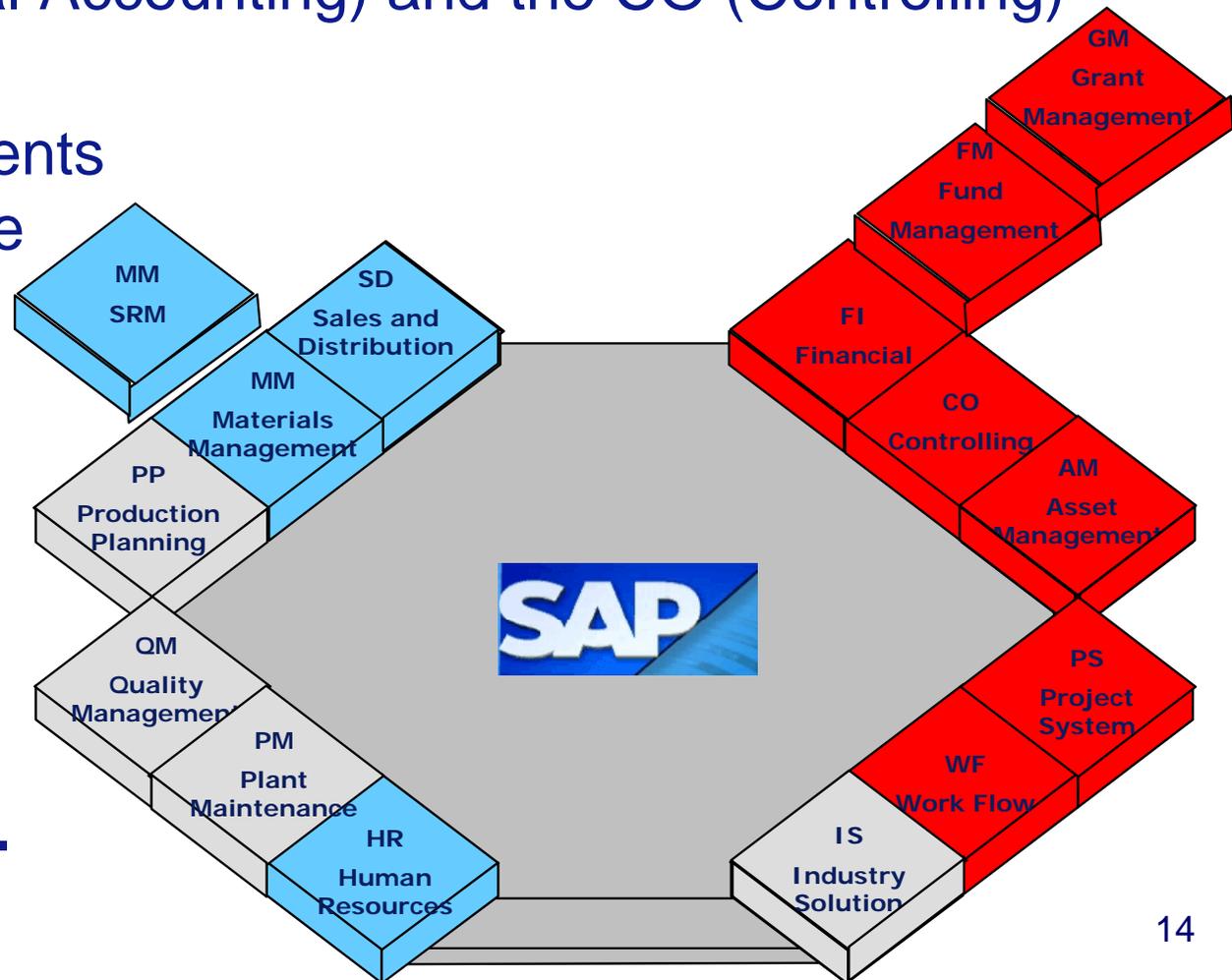
SAP Modules, con't



Financial Modules Overview

- Finance and Accounting functions are primarily practiced in the FI (Financial Accounting) and the CO (Controlling) Modules.

- These components of SAP ECC are independent applications, but most data in these modules are fed automatically from the others.



Financial Modules Overview *(continued)*

- The Financial Accounting (FI) Module represents the Financial General Ledger, Accounts Payable, Accounts Receivable and Assets sub-modules.
- It is primarily used for external financial statement reporting, vendor payments and credit / collection and receivables management activities.
- FI is made up of several sub-modules that will be used by the State:
 - The **General Ledger (G/L)** is the Financial Book of Record.
 - **Asset Management (AM)** manages assets and their depreciation.
 - **Treasury (TR)** accounts for payments and receipts of cash.
 - **Accounts Payable (AP)** manages vendor invoices.
 - **Accounts Receivable (AR)** manages customer billing.

Controlling (CO) is used:

- For internal reporting and planning.
- Internal orders, cost centers and cost elements collect and categorize costs.
- Costs can be allocated within CO without affecting other modules.
- Information flows from FI to CO through cost elements.

CO may be used for cost reporting and managerial decision making analysis. This is the module to use in determining the cost of a program or project (direct and indirect). CO includes Project Systems.

Module 1 Summary

- You should now be able to:
 - Define key terms and concepts.
 - Describe the SAP modules and how they interact with the finance modules.
 - Explain what each finance module does.



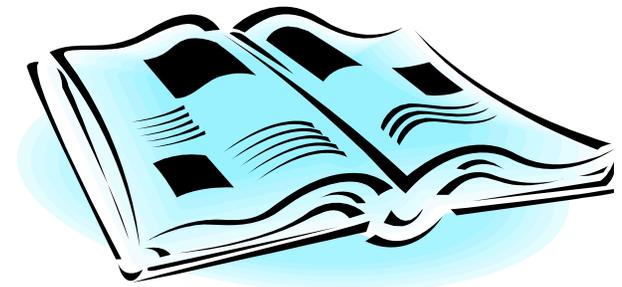
Module 2: Financial Accounting

Module 2 Learning Objectives

- Upon completion of this module, you should be able to:
 - Define key terms and concepts.
 - Identify each sub-module within FI.
 - Describe the account code structure terminology
 - Identify FI master data.
 - Explain how AR, AP and AM elements affect each module.

Key Terms and Concepts

- 🌀 **Chart of Accounts**
- 🌀 **Business Area**
- 🌀 **General Ledger Account**



Key Terms and Concepts

- **Asset Class**
- **Cost Element**
- **Cost Center**

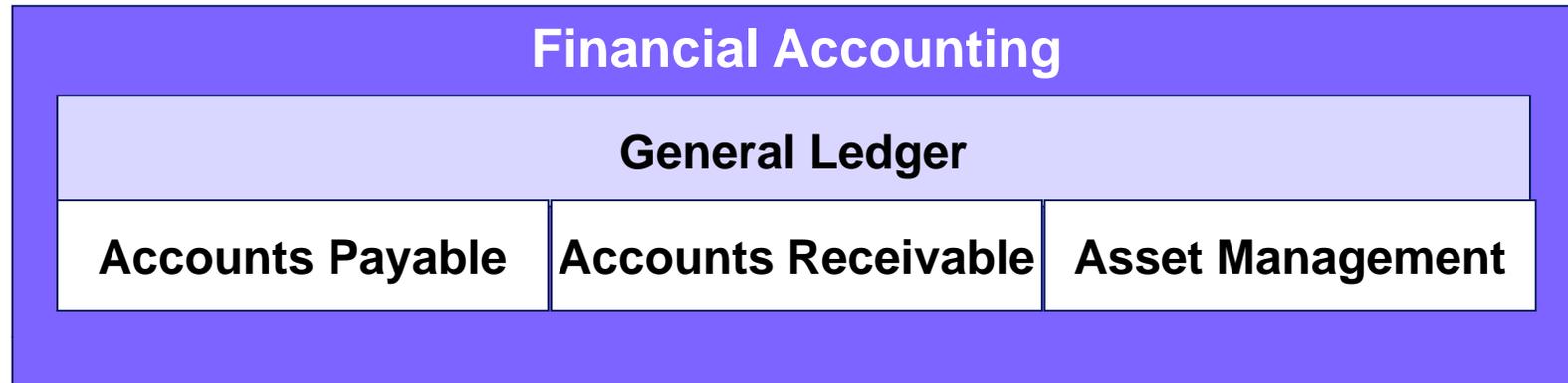


Key Terms and Concepts (*continued*)

- ④ **Cost Center**
- ④ **Internal Order**
- ④ **Posting Key**
- ④ **Document Type**



Financial Accounting Overview (FI)



- Financial Accounting is composed of the general ledger and the AP, AR and AM sub-modules:
 - AP is used to pay vendors.
 - AR is used to bill customers.
 - AM is used to track and depreciate assets.
- Financial Accounting is focused on the accounting required for external reporting requirements.

FI – General Ledger

- ④ The base application in Financial Accounting (FI) is the general ledger.
- ④ All business transactions with financial implications are collected in FI-GL.
- ④ The general ledger serves as a complete record of all business transactions. It is the centralized, up-to-date reference for the rendering of accounts.
- ④ It can be updated:
 - automatically from other SAP modules;
 - using manual GL posting documents; or,
 - through rollups from subsidiary ledgers.

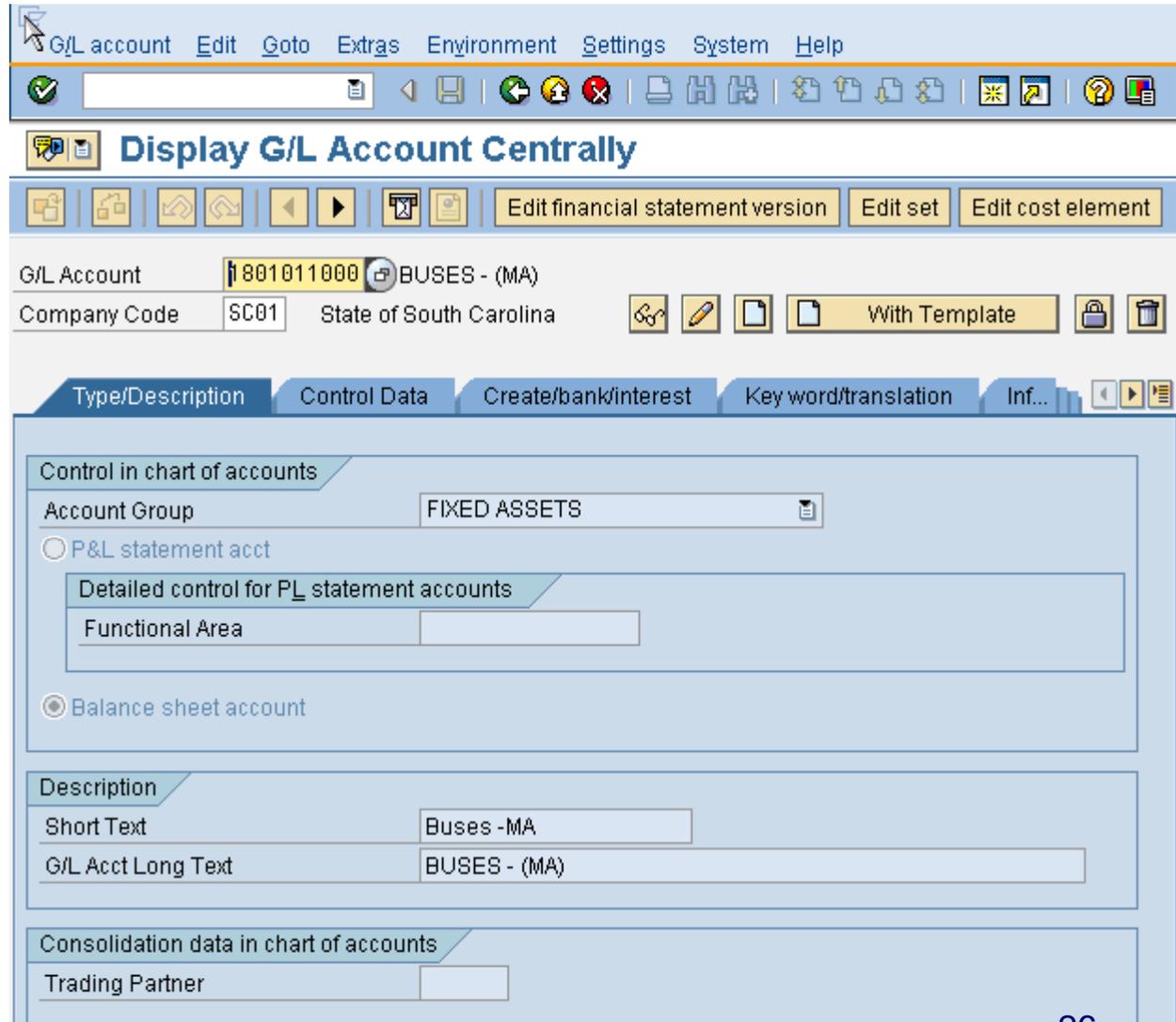
FI – General Ledger Master Data

- The general ledger is set up according to the chart of accounts.
- SCEIS GL account ranges are as follows:

General Ledger Accounts	Number Range
Cash and Cash equivalents	1000000000 – 1299999999
Assets	1300000000 – 1799999999
Fixed Assets	1800000000 – 1999999999
Liabilities	2000000000 – 2999999999
Fund Balance	3000000000 – 3999999999
Revenue	4000000000 – 4999999999
Expenditures	5000000000 – 5999999999
Transfers	6000000000 – 7999999999
Conversions	9000000000 – 9999999999

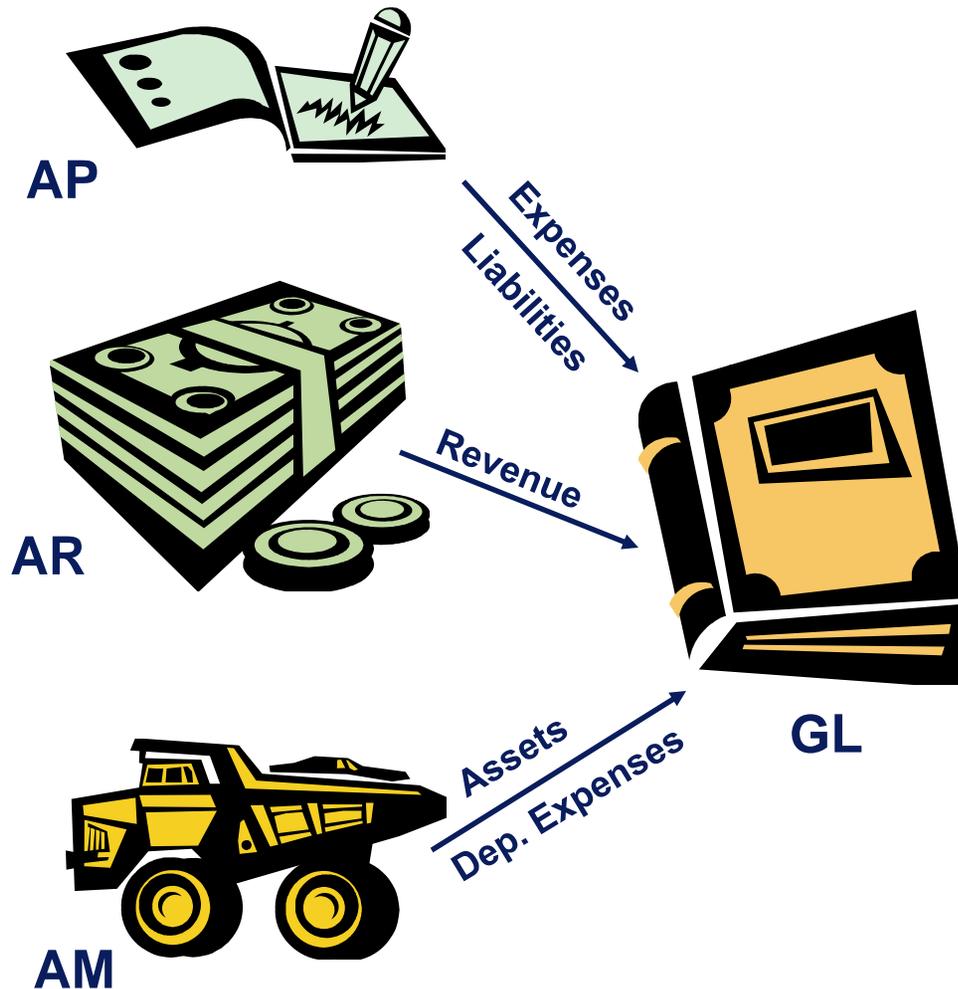
FI – General Ledger Master Record

- Detailed information about a G/L account is listed in the master record.
- G/L account master records are created and maintained centrally.
- Authorization to create and change master records is limited.



The screenshot displays the 'Display G/L Account Centrally' window in the SOEIS system. The interface includes a menu bar with options like 'G/L account', 'Edit', 'Goto', 'Extras', 'Environment', 'Settings', 'System', and 'Help'. Below the menu is a toolbar with various icons. The main area shows the account details for '801011000 BUSES - (MA)' under 'Company Code SC01' and 'State of South Carolina'. There are buttons for 'Edit financial statement version', 'Edit set', and 'Edit cost element'. A tabbed interface is visible with tabs for 'Type/Description', 'Control Data', 'Create/bank/interest', 'Key word/translation', and 'Inf...'. The 'Control Data' tab is active, showing 'Control in chart of accounts' with 'Account Group' set to 'FIXED ASSETS'. There are radio buttons for 'P&L statement acct' and 'Balance sheet account'. The 'Description' section has 'Short Text' as 'Buses -MA' and 'G/L Acct Long Text' as 'BUSES - (MA)'. The 'Consolidation data in chart of accounts' section has a 'Trading Partner' field.

Integration with Financial Accounting



- General ledger contains a complete record of financial postings at a summary level.
- Most financial postings are generated through sub-ledgers, which store detailed information.
- Sub-ledgers are tied to the general ledger through the Chart of Accounts.

FI – Accounts Receivable

- Accounts Receivable (AR) sub-module records and manages the accounting data with regards to customers of the State of South Carolina.
- Purpose of the Accounts Receivable process:
 - Maintains and manages accounting data for all customers.
 - Stores data according to the customer.
- The AR module is used to:
 - Process customer invoices and credit memos (including IDTs).
 - Maintain customer payments and payment history.
 - Manage deposits received from customers.
 - Administer financial records and account balances related to customers.

FI – Accounts Receivable *(continued)*



- The FI-GL (General Ledger) module supports the AR module.
- There are separate sub-ledgers maintained for the AR and GL modules.
 - Postings made in the AR sub-ledger are linked to the GL reconciliation ledger.
 - All AR customer transactional details are kept in the AR sub-ledger.
- Two separate reconciliation accounts are currently defined for the SCEIS solution:
 - **1300010000 – Accounts Receivable - current**
 - **1300020000 – Accounts Receivable – IDT**

FI – Accounts Receivable Master Data



- The customer master record controls data for the processing of the customer transaction (invoice, credit memo, Account Statements, etc.).
- The seven-digit customer accounts can be combined into various account groups.

A/R Account Groups	Number Range
ZIDT	A000000 – Z999999
ZCCD	1000000 – 3599999
ZONE	0000001 – 0999999
ZGNR	4000000 - 7999999

Standard Document Type

- DA Customer Document
- DR Customer Invoice
- DG Customer Credit Memo
- DZ Customer Payment
- ZW ACH/Wire Deposits
- ZD General Deposits (cash & checks)
- ZJ IDT Invoice Billing
- ZK IDT Credit Memo
- ZF IDT Receipts
- AB Clearing Document

☉ The 4 main traditional process steps in AR area:

- Invoicing (billing) and credit memos (including IDTs)
- Receipting of customer payments
- Clearing A/R accounts
- Other steps
 - Examples of these activities within Accounts Receivable are write offs, year-end closure, etc.

FI – Accounts Payable

- ④ Purpose of the Accounts Payable process:
 - Maintains and manages accounting data for all vendors of goods, materials, and services.
 - Stores data according to the vendor.

- ④ AP is a sub-ledger of the General Ledger integrated by:
 - Master data.
 - Transactional data.
 - Reporting system.

- ④ Business function of AP:
 - Records invoices and payments for each vendor.
 - Manages invoice exceptions.

FI – Accounts Payable *(continued)*

🌀 Modules that support the AP process:

- Finance (FI)
 - A/P sub-ledgers, vendor account balances, posting, invoices, vendor master record, asset accounting, G/L reporting
- Controlling (CO)
 - Cost Center Accounting, Reports
- Purchasing (MM)
 - Purchase Orders, Goods Receipt

FI – Accounts Payable *(continued)*



- Important organizational elements of AP consist of vendor master record and account groups.
- Vendor accounts may be combined in various account groups, so that they can be organized and managed more easily.
- Number ranges are assigned to these account groups for reporting and management purposes.

Vendor Type	Description
ZVEN	Vendor
ZCCD	City, county, district
ZIDT	State Agencies
ZINT	International
ZOTV	One-time Vendor

FI – Accounts Payable *(continued)*

- Output from the Accounts Payable process:
 - Accounts Payable Master Data
 - Vendor Invoice
 - Vendor Credit Memo
 - Payments
 - Accounts Payable Reports

🕒 Payment Document Type:

- KZ Vendor Payment
- ZC Check Payment Posting
- ZM Manual Payment Posting
- ZV Payment Clearing
- ZA Vendor 1099 Transfer
- ZI IDT INV Paying Party
- ZP Payment Posting
- ZT Travel
- ZV Payment Clearing
- ZW Wire Transfer Live Agency

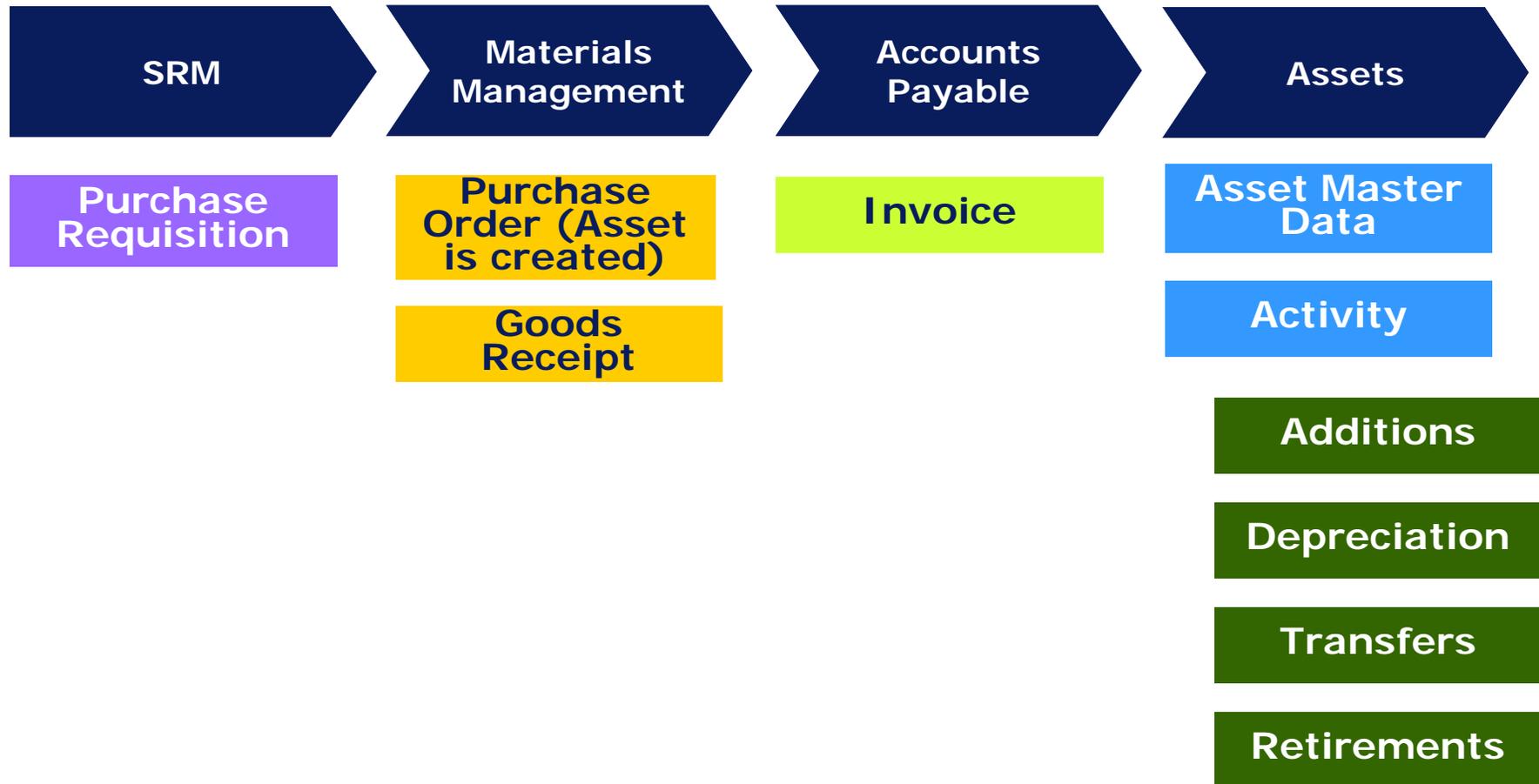
FI – Asset Management

- Asset Management is used for managing and supervising assets (capital and low-value) within the system.
- It is a module of the FI area providing detail information on transactions involving fixed assets.
- Traditional asset accounting manages the entire life of the asset.

FI – Asset Management (*continued*)

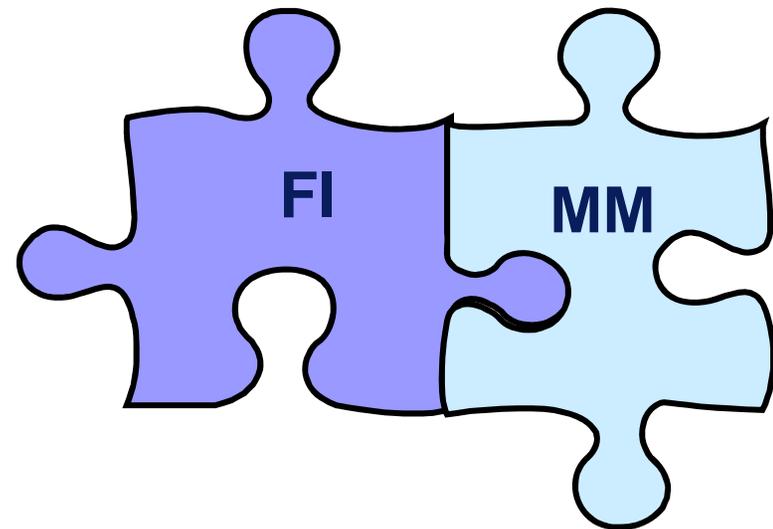
- All postings made for assets (acquisitions, retirements, depreciation, etc.) are posted in the company code and business area.
- You may also assign an asset to various CO objects (cost center, internal order, etc.).
- Each asset must be assigned to an asset class.
- Fixed assets and accumulated depreciation accounts automatically reconcile to the GL.

FI – Assets Process



FI/MM Integration

- Financial account assignments are listed on requisitions and purchase orders.
- When a goods receipt is created, there is no financial document generated. The GR is non-valuated and will create only a material document.



Module 2 Summary

- You should now be able to:
 - Define key terms and concepts.
 - Identify each sub-module within FI.
 - Describe the account code structure terminology.
 - Identify FI Master data.
 - Explain how AR, AP and AM elements affect each module.



Module 3: Controlling

Module 3 Learning Objectives

- Upon completion of this module, you should be able to:
 - Define key terms and concepts.
 - Explain the purpose of the CO module and its relationship with the other modules.
 - Describe the account code structure terminology.
 - State the master data elements within the CO module.
 - Explain the purpose of Project Systems and Work Breakdown Structure (WBS)
 - Explain how this module interfaces with the other Finance (FI) modules.

Key Terms and Concepts

- ④ Controlling Area
- ④ Company Code



Key Terms and Concepts

Cost Element

Key Terms and Concepts

- **Cost Center**
- **Internal Order**
- **Work Breakdown Structure**



Controlling Module (CO)

☉ Controlling is :

- Focused on internal monitoring and control.
- Internal orders, cost centers and cost elements collect and categorize costs.
- Managerial (cost) accounting.

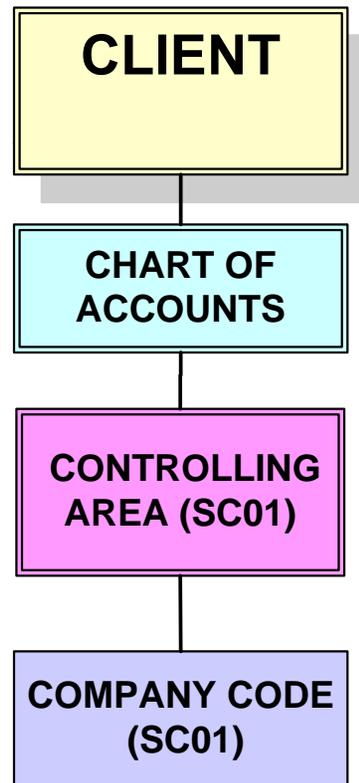
☉ Includes cost allocation functionality.

CO Master Data

- SAP organizational units for financial records are company codes and controlling areas:
 - FI uses company code
 - CO uses controlling area
- A company code defines an independent accounting entity for which P&L, balance sheet, and trial balance can be generated.
- Every financial-based transaction entered in SAP ECC needs a company code designation.
- The State of South Carolina is using only one controlling area and one company code: **SC01**.

CO Master Data *(continued)*

SCEIS has created the correct organizational structures in place to support your management accounting processes.



CO Master Data *(continued)*

- ④ Master data is entered into the system once and shared across modules.
- ④ Master data remains unchanged over an extended period of time and contains information that is used in the same manner over and over again.
- ④ The CO modules use the following types of master data to perform management accounting:
 - Cost Centers
 - Internal orders
 - Work Breakdown Structures
 - Primary cost elements
 - Secondary cost elements

CO Master Data-Cost Center

- ④ Cost centers are master data objects that represent a business area's organizational structure. They can be posted to directly, cleared to/from orders and assessed or allocated to/from other cost centers.
- ④ You will need a cost center if:
 - There is an individual who is responsible for the cost and plan.
 - You want to assign an employee to this level.
 - You want to allocate cost out to other cost centers.
 - You have to receive cost from other cost centers.
 - The cost center represents a long-term, stable component of your reporting structure.

CO Master Data-Cost Center (continued)



- SCEIS Cost Centers are 10 alphanumeric characters used to represent the agency and program office.

The screenshot shows the SAP Standard Hierarchy for Cost Centers Display. The interface includes a menu bar (Standard Hierarchy, Edit, Goto, Extras, Settings, System, Help), a toolbar, and a main display area. The main display area shows a hierarchy of cost centers as of 01/01/2007. The hierarchy is as follows:

- TOT_SC01 (TOTAL STATE OF SOUTH CA...)
 - ECA0000010 (CG ADMINISTRATION SERVL...)
 - EDA0000010 (ADMINISTRATION)
 - TOT_E120 (TOTAL OFFICE OF COMPTR...)
 - TOT_R200 (TOTAL DEPARTMENT OF IN...)
 - R200000010 (AGENCY DIRECTOR)
 - R200_AD (ADMINISTRATION AND STRA...)
 - R200A00000 (ADMINISTRATION DEPUTY D...)
 - R200A00010 (ACCOUNTING/FINANCE/TAX...)
 - R200A00011 (INFORMATION TECHNOLOGY)
 - R200A00012 (HUMAN RESOURCES)
 - R200_FS (FINANCIAL SERVICES)
 - R200_CS (CONSUMER SERVICES / GE...)
 - R200_MS (MARKET SERVICES)
 - TOT_H710 (TOTAL WILL LOU GRAY OPP...)
 - TOT_H870 (TOTAL SC STATE LIBRARY)
 - TOT_E160 (TOTAL OFFICE OF STATE TR...)
 - TOT_F270 (TOTAL OFFICE OF THE STAT...)

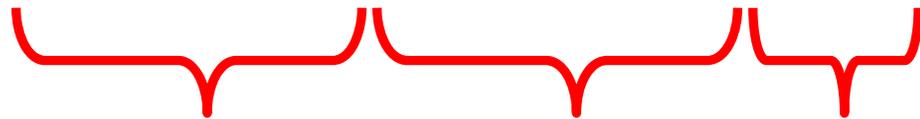
The cost centers R200A00000 and R200A00010 are highlighted with a red box. The table below shows the details for these cost centers:

Standard Hierarchy	Name	Activation status	Person respon...	Company code
TOT_SC01	TOTAL STATE OF SOUTH CA...			
ECA0000010	CG ADMINISTRATION SERVL...	■	John Doe	SC01
EDA0000010	ADMINISTRATION	■	TBD	SC01
TOT_E120	TOTAL OFFICE OF COMPTR...			
TOT_R200	TOTAL DEPARTMENT OF IN...			
R200000010	AGENCY DIRECTOR	■	TBD	SC01
R200_AD	ADMINISTRATION AND STRA...			
R200A00000	ADMINISTRATION DEPUTY D...	■	TBD	SC01
R200A00010	ACCOUNTING/FINANCE/TAX...	■	TBD	SC01
R200A00011	INFORMATION TECHNOLOGY	■	TBD	SC01
R200A00012	HUMAN RESOURCES	■	TBD	SC01
R200_FS	FINANCIAL SERVICES			
R200_CS	CONSUMER SERVICES / GE...			
R200_MS	MARKET SERVICES			
TOT_H710	TOTAL WILL LOU GRAY OPP...			
TOT_H870	TOTAL SC STATE LIBRARY			
TOT_E160	TOTAL OFFICE OF STATE TR...			
TOT_F270	TOTAL OFFICE OF THE STAT...			

CO Master Data-Cost Center *(continued)*

🕒 How are cost centers determined?

R200A00010



Agency

**Agency
Hierarchy**

**Cost
Center
detail**

CO – Internal Order

- Internal orders track the costs for:
 - SPIRS Projects
 - Non-SPIRS Projects
 - Approved Disasters
 - Budgetary Programs
- Internal orders are cost objects that collect costs of a single event

Internal Order Types	Number Range
Non-SPIRS	10000000 – 29999999
Grants	Agency Determined
Approved Disasters	98000000 - 98999999
SPIRS	99000000 - 99999999

CO/PS Why Project Systems ?

- Project System is a complex module designed to manage large, multi-year projects, especially capital-type projects that require settlements to assets under construction.
- Internal orders are designed for simpler, shorter-term operational jobs. Plant maintenance orders should be used if related to maintenance of existing infrastructure and production orders should be used if creating product to be inventoried and/or sold.

CO/PS Why Project Systems ?

- **Examples:** The following are examples of the different types of jobs and projects, and the applicable functionality that should be used.

Type of Job / Project SAP Functionality to be Used

- | | |
|---|--------------------------------|
| – Move Users to a New Floor | - CO Internal Order |
| – Research project | - CO Internal Order |
| – Create Inventory Forms for Subsequent Consumption | - CO Production Order |
| – Repair Building Cabling | - CO Internal Order (PM Order) |
| – Warranty Work on New Facility | -CO Internal Order (PM Order) |
| – Repair Cracks in Street | - CO Internal Order (PM Order) |
| – Improve a Building Roof | - PS Project |
| – Build a New Facility | - PS Project |
| – Build a New Street | - PS Project |

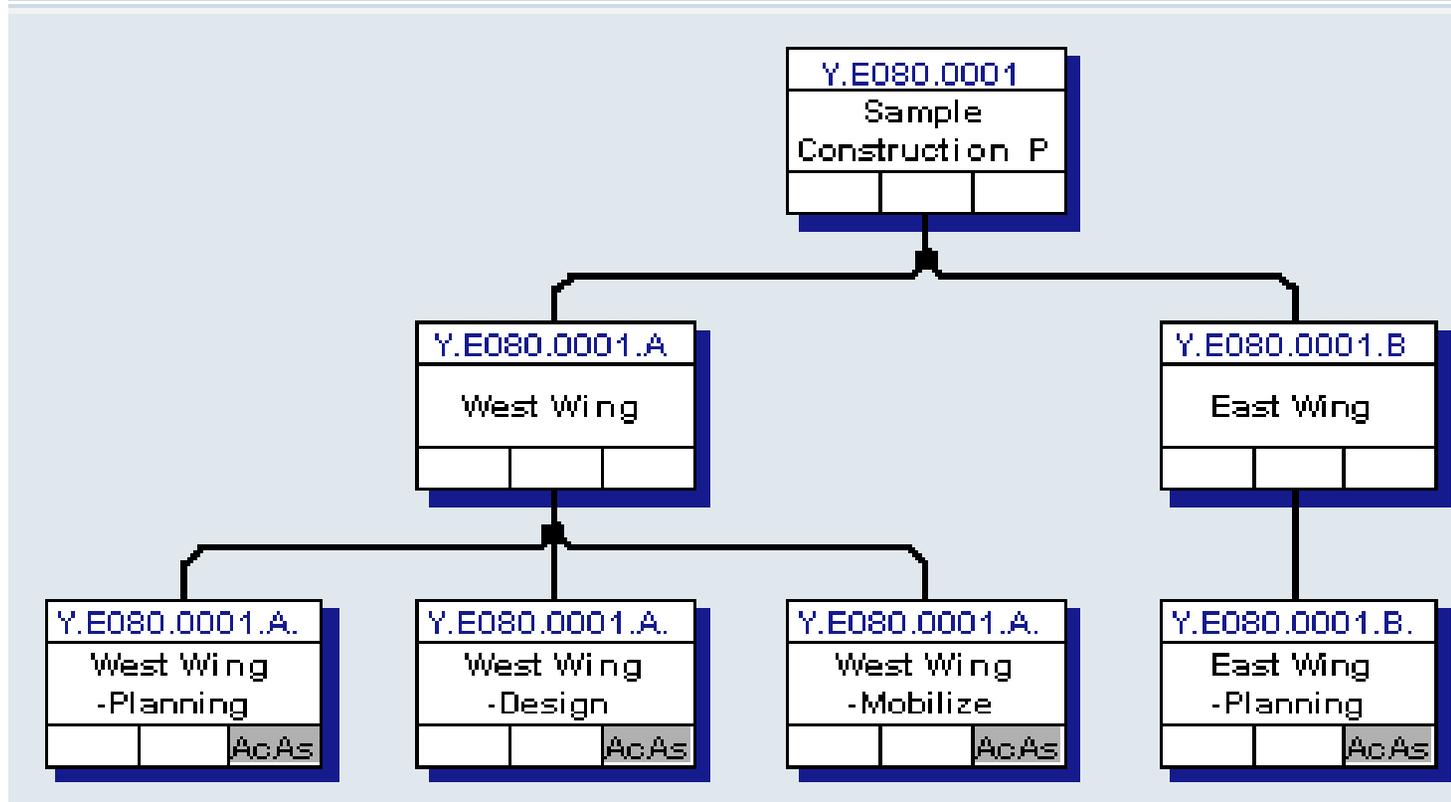
CO/PS – Work Breakdown Structure

- WBS elements tracks the costs for complex long-term projects.
- WBS elements are arranged in a hierarchies to reflect the work activities of the project
- Expenditures are captured at the lowest WBS level.

CO/PS – Work Breakdown Structure

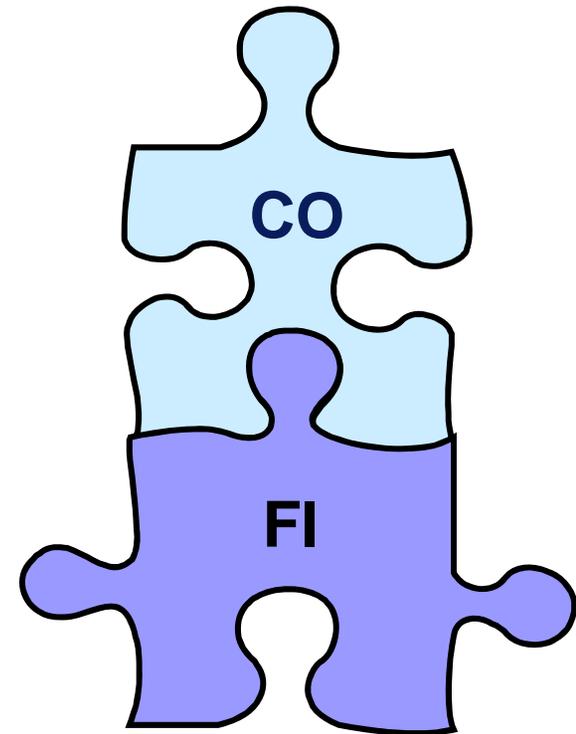


Project Builder: Hierarchy Graphic



FI/CO Integration

- Equivalent cost element for each general ledger expenditure and revenue account.
- Controlling documents are generated automatically from revenue & expenditure financial postings.
- Internal orders are entered on financial postings to collect costs.
- Internal orders and cost centers are tied to business areas in FI.



Module 3 Summary

- You should now be able to:
 - Define key terms and concepts.
 - Explain the purpose of the CO module and its relationship with the other modules.
 - Describe the account code structure terminology.
 - State the master data elements within the CO module.
 - Explain the purpose of Project Systems and Work Breakdown Structure (WBS)
 - Explain how this module interfaces with the other finance modules.



Module 4: Funds Management (FM)

Module 4 Learning Objectives

- Upon completion of this module, you should be able to:
 - Define key terms and concepts.
 - Identify the basic structure and function of the Funds Management module.
 - Describe the account code structure terminology.
 - Explain how this module interacts with the other modules.

Key Terms and Concepts

🌀 **Business Area**

🌀 **Fund**



Key Terms and Concepts

- Functional Area
- Funded Program

Key Terms and Concepts *(continued)*

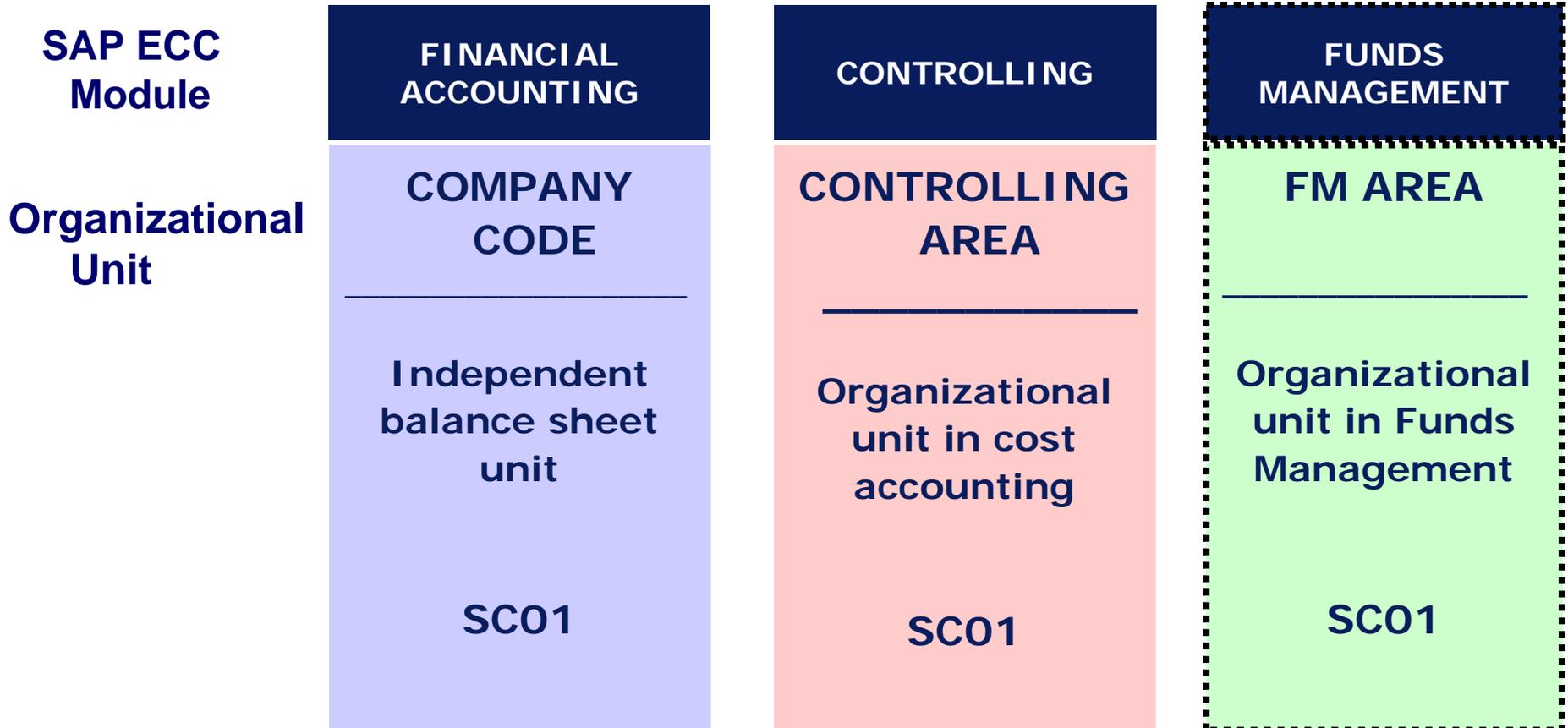
- 🌀 **Fund Center**
- 🌀 **Commitment Items**
- 🌀 **Grants**



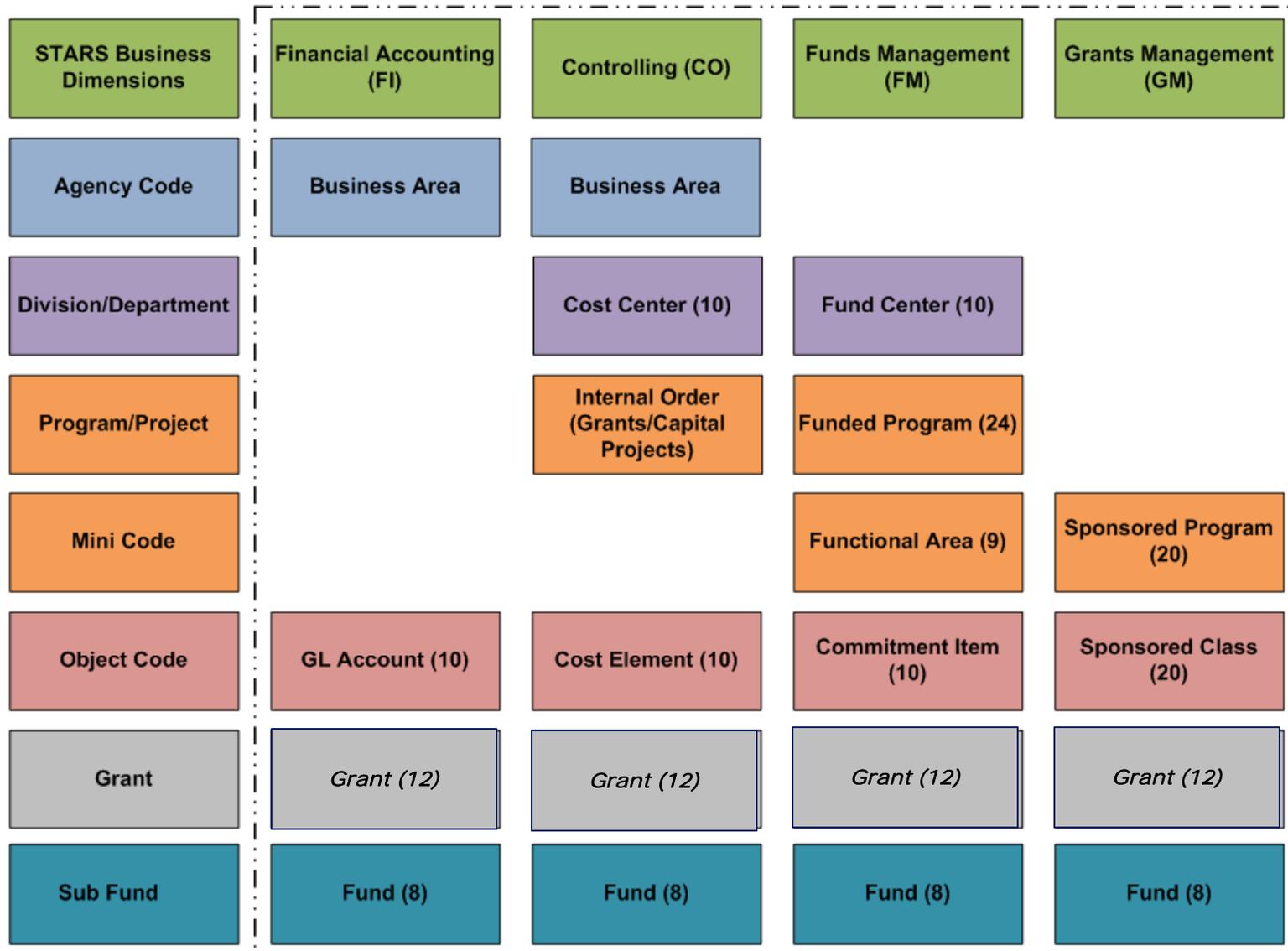
Funds Management (FM)

- The function of Funds Management is to:
 - Maintain the State of South Carolina budget.
 - Budget all revenue and expenditures for individual Business Areas and programs.
 - Monitor budget-relevant transactions.
 - Monitor budget consumption, warn when funds run low and prevent the budget from being exceeded.
 - Track pre-encumbrance and encumbrance transactions.

Funds Management: Organizational Units



SCEIS FI Data Structure & Integration



Funds Management Master Data

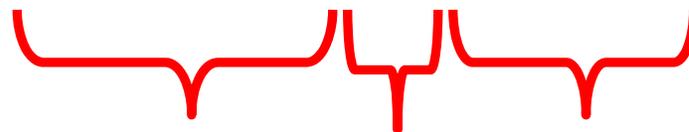
Funds

- Monies provided by a financial source, such as a public organization, which is managed separately for a specific purpose.
- Fund number is eight digits consisting of the legacy system sub-fund number, “Z” indicator and fund detail.
- Internal funds derive revenue internally; external funds derive funds from sources outside the State.
- A complete set of self-balancing accounts may be generated for each fund.

Funds Management Master Data *(continued)*

Fund Category	Number Range
General fund	10000000 – 29999999
Earmarked Fund	30000000 – 39999999
Restricted Fund	40000000 – 49999999
Federal Fund	50000000 – 59999999

1234Z000

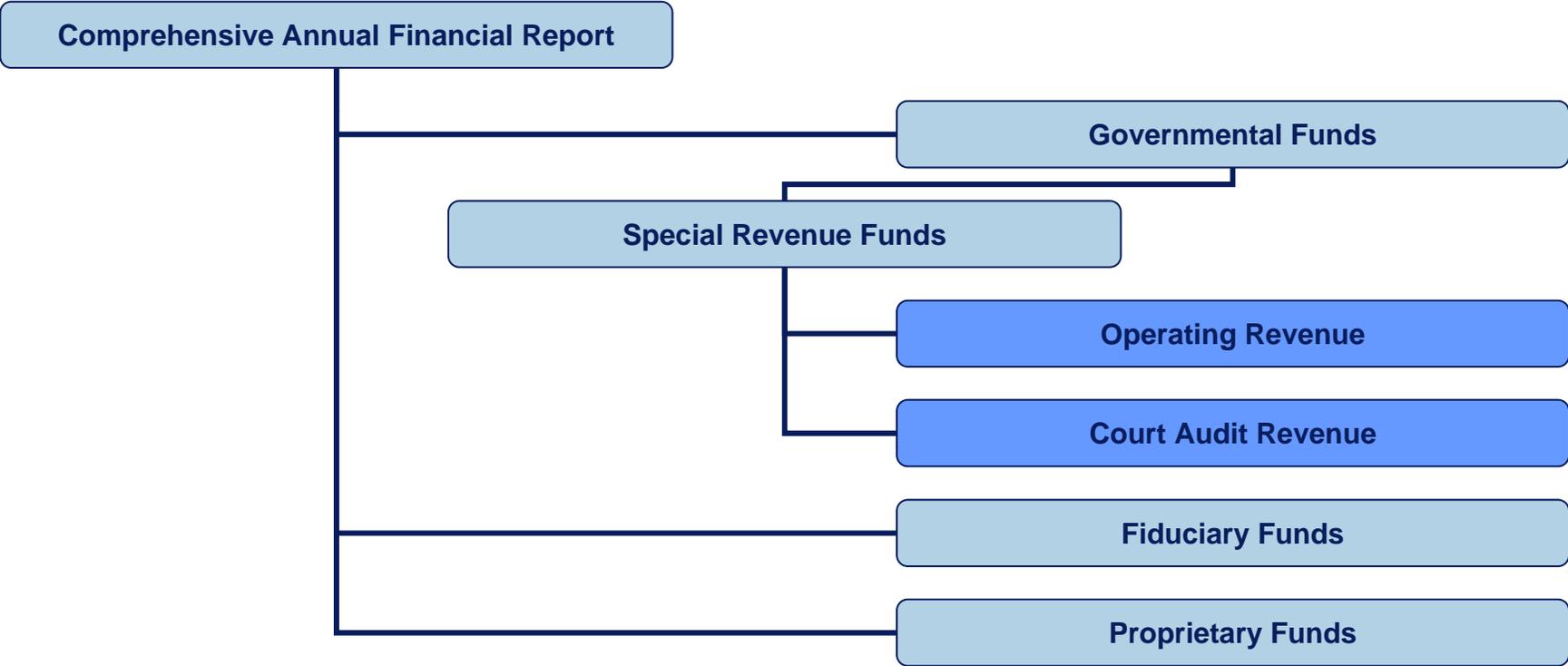


Legacy Sub-
fund

Z
Indicator

Additional
detail

Fund Groups



🌀 Funds Centers:

- Represent particular organizational units for which budget is created and controlled.
- Are assigned to managers.
- 8-digit SAP funds centers are for budget purposes.
 - First 4-digits are equivalent to the business area
 - Characters five through eight represent agency hierarchy
- 10-digit SAP funds centers are for posting actual transactions.
 - The additional 2 digits represent the detail cost center
- Each 10-digit funds center has an equivalent cost center.

Commitment Items

- Expenditure and Revenue accounts in FM
- Equivalent to G/L accounts in FI and cost elements in CO
- Correspond to balance sheet, revenue source and expenditure object codes

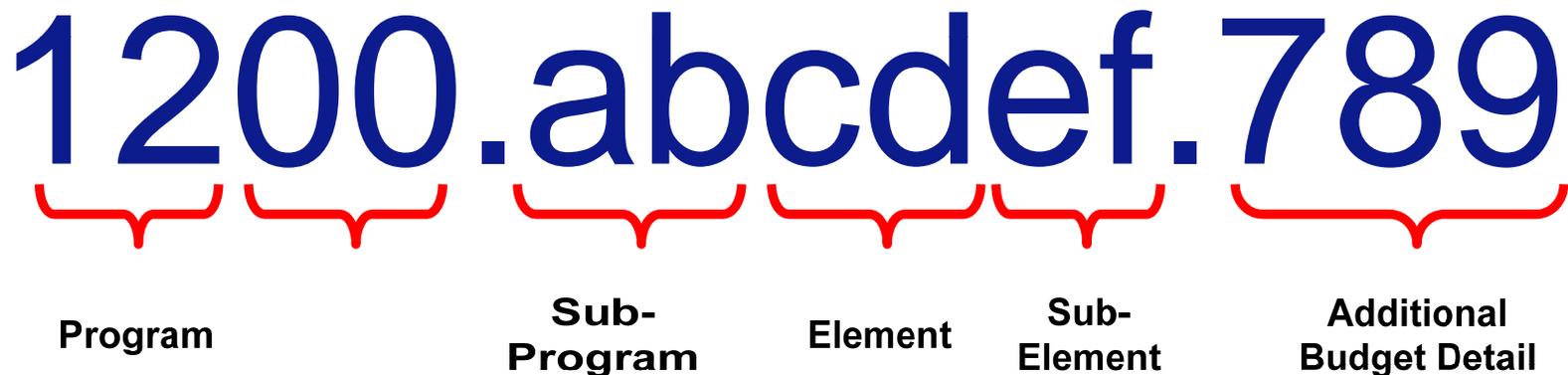
Commitment Items	Number Range
Assets	1000000000 – 1999999999
Liabilities	2000000000 – 2999999999
Fund Balance	3000000000 – 3999999999
Revenue	4000000000 – 4999999999
Expenditures	5000000000 – 5999999999
Transfers	6000000000 – 7999999999
Conversions	9000000000 – 9999999999

Funds Management Master Data *(continued)*



State Funded Programs

- Represent the State of South Carolina programs.



Funds Management Master Data: Agency Funded Programs



Funded programs are the SAP equivalent of budget program codes. State Funded Programs can be further broken down into Agency Funded Programs



Capital Projects

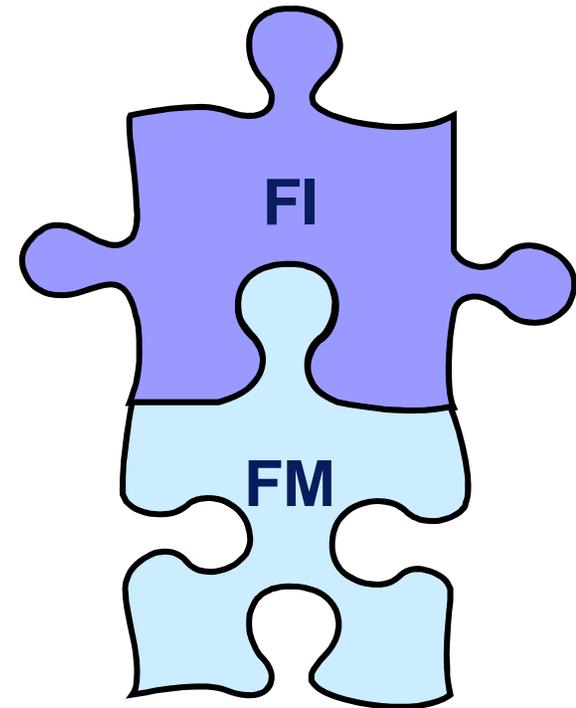
Number range: 9900.000000.000 to
9999.999999.999

Disaster Fund

Number range: 9899.000000.000 to
9899.999999.999

FI/FM Integration

- Equivalent commitment item for each general ledger account
- FM documents are generated automatically from financial postings
- FM Master Data items on financial documents



Module 4 Summary

- You should now be able to:
 - Define key terms and concepts.
 - Identify the basic structure and function of the Funds Management module.
 - Describe the account code structure terminology.
 - Explain how this module interacts with the other modules.



Module 5: Grants Management (GM)

Module 5 Learning Objectives

- Upon completion of this module, you should be able to:
 - Define key terms and concepts.
 - Identify the basic structure and function of the Grants Management (GM) module.
 - Identify GM master data.
 - Explain how the GM module interacts with the other modules.

Key Terms and Concepts

- **Fund**
- **Grant**
- **Sponsor**
- **Sponsored Class**
- **Sponsored Program**



Fund

- External / Internal
- Only one external fund per grant
- An internal fund or funds can be used if the grant requires cost sharing or matching

Grant

- Establishes a funding relationship between the grantor and grantee.
- Has a twelve digit naming structure.
 - Example: H71010000109 (Federal grant)
- Grant names will be assigned by user..

Grants Management (GM)

Grant (continued)

- Has four lifecycle statuses
 - Award
 - Closing
 - Closed
 - Cancelled

Sponsor

- Also known as the “Grantor”
- Provides the funding source for a project or projects.
- Will determine the grant requirements and objectives.

Sponsored Class

- Represents the expenditure and revenue categories
- Linked to other objects within the FI modules:
 - FI: G/L accounts
 - CO: cost elements
 - FM: commitment items
- ex.: supplies & materials, salaries, other operating

Sponsored Program

- Identify the project for which the Sponsor provides funding.
- Delineates Sponsor required activities.
- ex.: administration, teen pregnancy prevention, etc.

GM Function

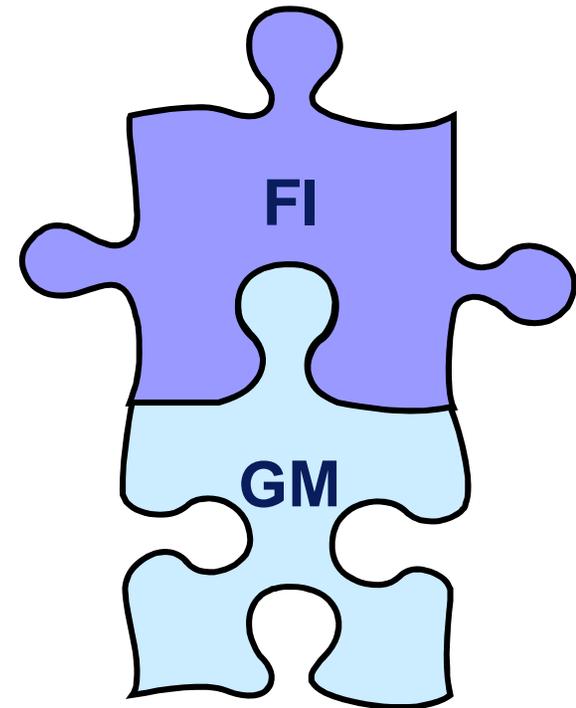
- Grants Management is used to create, monitor and control budgets for grants.
- Tracks available funds, expenditures and encumbrances charged to grants.
- Bills sponsors in coordination with Accounts Receivable.
- Provides information and reports in accordance with the Sponsor's requirements.

GM Function *(continued)*:

- Grants are funds given by a Sponsor to the State for a specific purpose.
- Outlines financial conditions and legal rules to be followed in exchange for the funds.
- A budget is maintained for each grant.

FI/GM Integration

- General ledger expenditure and revenue accounts are grouped and mapped to Sponsored classes.
- Grant is entered on the purchasing documents and listed on the financial documents.
- Grants management documents are generated automatically from financial documents.



Module 5 Summary

- You should now be able to:
 - Define key terms and concepts.
 - Understand the purpose and function of the Grants Management module.
 - Identify GM master data.
 - Explain how the GM module affects other FI modules.



Module 6: Reconciliation

Module 6 Learning Objectives

- Upon completion of this module, you should be able to:
 - Describe where the reconciliation activities reside and how to access them.

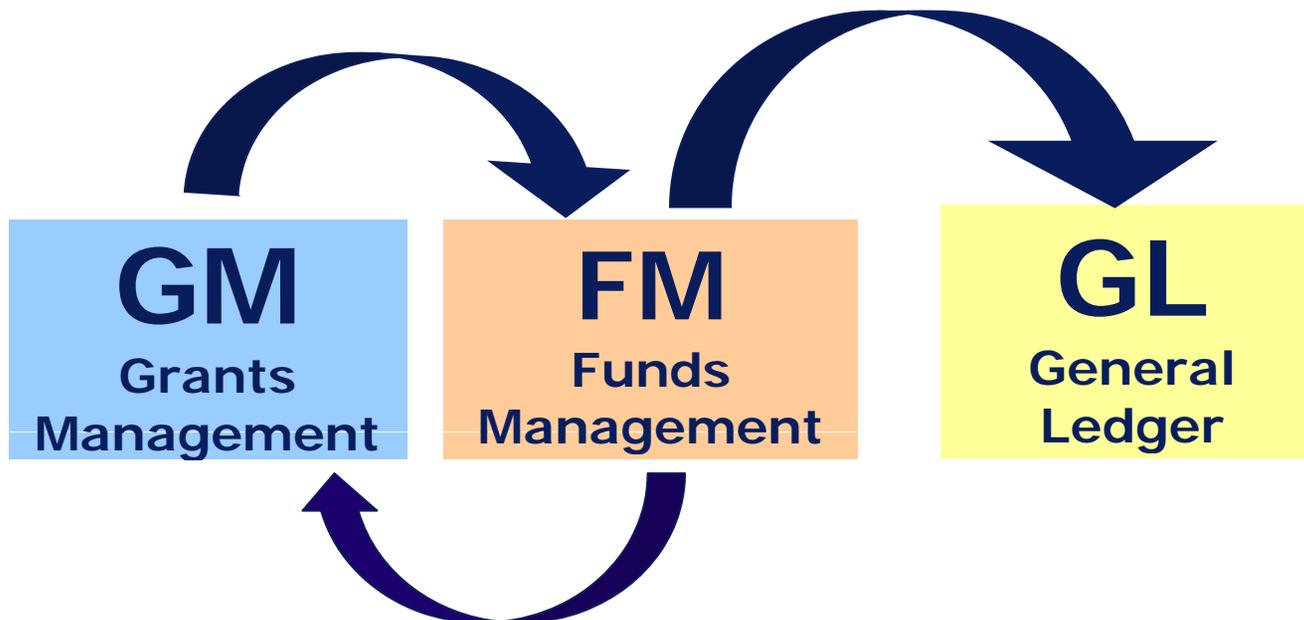
Reconciliation Accounts

Relationship within Finance



Reconciliation Accounts - FM & GM

- Users should reconcile budgetary fund balances to fund balances calculated on a modified accrual basis.
- Transactions may be posted in FI and Controlling (CO) that should not be reflected against budgeted amounts in FM such as depreciation (statistical).
- Statistical posting of these transactions can be done in FM to facilitate reconciliation with FI and CO.



Module 6 Summary

- You should now be able to:
 - Describe where the reconciliation activities reside and how to access them.



Module 7: Learning Activities

Learning Activity # 1

Which SAP FI modules will be used to conduct business in the State of South Carolina?

Learning Activity #1 - Answer



The State of South Carolina will use the following modules to conduct business:

- Financial Accounting (FI) including:
 - General Ledger
 - Accounts Receivable
 - Accounts Payable
- Funds Management
- Grants Management
- Controlling (CO)
- Asset Management
- Materials Management (MM) including:
 - SRM
- Work Flow
- Human Resources (HR) - only supports functions through integration of SAP ECC modules (Payroll and Time will be implemented in a later phase.)

Learning Activity #2

1. Name the modules that support the Accounts Receivable module.
2. SAP Assets Management module supports assets over the course of their life cycle. (True or False)

Learning Activity #2 - Answers

1. General Ledger and Cash Management
2. True. But Assets under Construction are handled by internal orders.

Learning Activity #3

1. Describe three reasons you would need a cost center.
2. Describe the number scheme for cost centers.
3. When would you use an Internal Order?

Learning Activity #3 - Answers

1. You will need a cost center if:
 - There is an individual who is responsible for the cost and plan.
 - You want to assign an employee to this level.
 - You want to allocate cost out to other cost centers.
 - You have to receive cost from other cost centers.
 - The cost center represents a long-term, stable component of your reporting structure.

2. The first four characters represent the Business Area (Agency). Characters five through eight represent agency hierarchy (and are dependent upon the agency to determine which character or characters are grouped to the specific agency level). The remaining two characters are numeric and represent the detail cost center.

3. To collect costs for a single event, approved disaster, capital project, or grant.

Learning Activity #4

1. Name at least two functions of the Funds Management module.
2. The FM area in the funds management module is equivalent to the _____ area in the CO module.
3. What are the four categories of funds used in SCEIS?
4. Each funds center has an equivalent _____ center.

Learning Activity #4 - Answers

1. Four functions of FM module:

Maintain the State of South Carolina's budget.

Budget all revenue and expenditures for individual business areas and programs.

Monitor budget-relevant transactions.

Monitor budget consumption, warn when funds run low and to prevent the budget from being exceeded.

Track pre-encumbrance and encumbrance transactions.

2. Controlling

3. General, Earmarked, Restricted and Federal funds

4. Cost

Learning Activity #5

1. Describe at least two functions of the GM module.
2. The GM master data element, sponsored class, is linked to what FI data element and FM data element?
3. True/False - A grants management document is generated automatically when a financial posting occurs.

Learning Activity #5 - Answers

1. Grants management:
 - Is used to create, monitor and control budgets for grants.
 - Tracks available funds, expenditures and encumbrances charged to grants.
 - Bills sponsors.
 - Provides information and reports from the sponsor's perspective.
2. FI = G/L account; FM = commitment item.
3. True. Regardless of whether the grant is relevant or not relevant to a particular transaction, a GM.

Course Summary

- You should now be able to:
 - List benefits of the SCEIS SAP Financial Overview.
 - List the key changes.
 - Describe the high level process flow.
 - Identify all financial modules.
 - Explain how account postings are transferred among financial modules.
 - Describe how each finance module interacts with the others to perform functions.

Any Questions?



Next Steps



🌐 Additional Support and Reference Materials

- You can access additional support and print step-by-step procedures on the SCEIS uPerform website.

Go to the SCEIS website at <http://www.sceis.sc.gov> and click “SCEIS uPerform.”