I'M SPEAKING AT

ODTUG
Kscope19
SEATTLE, WASHINGTON • JUNE 23-27

www.kscope19.odtug.com

SEATTLE

Washington State
Convention Center

Are You Ready to Move to the Cloud for Your Close & Consolidation System?

Agenda

What We'll Cover Today

1. Introduction

2. FCCS Case Study

3. HFM to FCCS Migration Overview

4. Are You Ready?

5. Q&A

About Kelsey Finnegan

Manager, SC&H Group

- Located: Washington, D.C.

- Studied: University of Delaware

- Worked: SC&H Group for 6+ years

- Specialties/Experience:

    - Financial Consolidation and Close

    - Enterprise Planning

- Avid Game of Thrones fan

About SC&H Group

FOUNDED IN **1991**

200+ CLIENTS

&

100% SUCCESS RATING

LARGEST ORACLE–HYPERION PRACTICE ON THE **EAST COAST**

2018 BEST ACCOUNTING TODAY **ACCOUNTING FIRMS**

CLIENT SERVICE: { **"WORLD CLASS"** **"3X INDUSTRY AVERAGE"** }

ORACLE ORACLE-HYPERION EPM SPECIALISTS & PLATINUM PARTNER SINCE 2007

COMMUNITY SERVICE: **25** AVERAGE HOURS PER EMPLOYEE

MOST ADMIRED **CEO**

BEST PLACES **TO WORK** →

ACCOUNTING TODAY

BUSINESS JOURNAL

INSIDE ACCOUNTING

BALTIMORE SUN

INC. MAGAZINE 2018

ONLY **ORACLE PARTNER** TO ACHIEVE **CLOUDSELECT** STATUS 2 **CONSECUTIVE YEARS** 2016 & 2017

LARGEST EPM CLOUD DEPLOYMENT IN ORACLE HISTORY

► **1ST EVER** ◄ FCCS IMPLEMENTATION

SERVING **46** OF THE **FORTUNE 100**

FCCS Case Study

HFM to FCCS Case Study – Our Client

Current State

- Public manufacturing company

- Uses HFM 11.1.2.1.600
  - Originally implemented in 2012

- Evaluated upgrading HFM or moving to FCCS

- IT team is looking to:
  - Save server costs
  - Eliminate need for software updates

- Accounting team is looking to:
  - Reduce consolidation times
  - Enhance business processes

SC&H
GROUP

Key Considerations for Moving to the Cloud

Why Fix Something That Isn't Broken?

- Access to entire Oracle EPM Cloud platform (Planning, Tax Reporting, etc.)

- SaaS cloud environment

  - No server maintenance costs

  - Monthly updates for new and improved functionality

- Pre-built consolidation functionality built by HFM experts

- Looming HFM support deadline

  - Would need to upgrade to HFM 11.2 for extended support through 2030

What is the name of Arya's dire wolf?

Nymeria

HFM to FCCS Migration

Key Considerations

SC&H
GROUP

HFM to EPM Cloud: Close and Consolidation

Migration Components

- Metadata

- Data Integrations

- Storing Data

- Consolidation Logic

- Journals

- Cash Flow (Roll Forwards)

- Reporting

- Data Validation

Metadata

HFM Dimensions		FCCS Dimensions
Account	→	Account
Period	→	Period
View	→	View
Years	→	Years
Entity	→	Entity
Scenario	→	Scenario
Value	→	Currency + Consolidation
Intercompany	→	Intercompany
Custom1 (Nature)	→	Data Source
Custom2 (Rollforward)	→	Movement
Custom3 (Product)	→	Custom1 (Product)
Custom4 (Cost Center)	→	Custom2 (Cost Center)

FCCS Out-of-the-Box Metadata

How It Works

- Prebuilt "Top" Members in Each Dimension

  - FCCS_Total Geography

- Prebuilt Account/Movement members

  - Ex: FCCS_CTA

  - Accounts that don't apply to your organization don't need to be used

  - Member properties can't be edited

  - All aliases can be changed

- These are created to ensure the consolidations are working properly

Data Integrations

Differences between FDMEE and Data Management

- Data Management is the cloud's version of "FDMEE"

  - Slightly less functionality

    - Does not support Jython and Groovy scripting

    - Does not support direct connection with on-premises GLs

- Able to lift and shift all data integration components including mappings from the GL

- Automation routines converted to use EPMAutomate

Storing Data

The Key Difference

- HFM stores YTD balances and FCCS stores MTD balances

- Don't worry.. You can still load YTD balances

  - FCCS can calculate the periodic change from YTD balances in a business rule

    - Historical GL data loaded from HFM in YTD

    - Historical journal data loaded from HFM in YTD

    - GL data loaded in MTD going forward

Who is the "Queen of Thorns"?

Olenna Tyrell

Consolidation Logic

Financial Close and Consolidation is Not the "Wild Wild West"

- "Custom" HFM logic is out-of-the-box functionality on the Cloud

  - Net Income rolling into Retained Earnings

  - Opening Balance Roll-forward

  - Intercompany Eliminations

  - Currency Conversions

    - CTA

    - Historical Overrides

  - Proportional Consolidations

    - Configurable Calculations

Consolidation Logic

Continued

- Consolidations are not customizable to ensure top performance

  - They are configurable in certain areas for additional consolidation logic to fit your needs

  - Our client needed a tax calculation that was developed using the custom business rules

- There is now "stand alone rules" released in FCCS for additional calculations needed outside of a standard consolidation

  - Cash Flow calculations

    - Ex: Pulling data off the income statement

  - Calculations needed after a data load

Journals

A Few Things to Note...

- Journals in FCCS are stored MTD (like all the data)

- This is a process change from HFM

- A requirement from our client is the ability to post parent currency adjustments

  - We created adjustment entities in the parent currency for these adjustments

  - Parent currency adjustments are not released in FCCS (yet)

Cash Flow

The Cash Flow is VERY Different.. In a good way!

- In HFM, rollforwards are supplemental to your ending balances

- In FCCS, your movements or "rollforwards" + the opening balance make up your ending balances

    - Load accounts to movements as a starting point

    - Create cash flow schedules to account for one off adjustments that aren't captured in the GL

        - Ex: PP&E

    - CTA is a system calculation which is also tracked (by account) as the change of FX on the cash flow

    - Your opening balance + movements will ALWAYS equal your ending balances

Reporting

"Lift and Shift" standard reports, with many more capabilities...

- FCCS uses the cloud version of Financial Reporting Studio

  - Very similar standard reporting capabilities between HFM and FCCS

- Because FCCS is part of the Oracle EPM Suite:

  - Dashboarding and Infolet capabilities

  - Upgraded versions of Smart View (excel add-in)

  - Has direct corrections with other business processes in the EPM Suite like Narrative Reporting

Data Validation

Challenges

- Custom consolidation logic built in HFM may not work the same way as the standard consolidations in FCCS

  - Could create data validation challenges for historical data

    - Ex: Cash flow FX calculations

    - Ex: Parent currency adjustments

- Data is stored differently (YTD vs. MTD)

Talisa

Are You Ready?

SC&H
GROUP

Are You Ready?

Things to Think About...

- What is your organization trying to accomplish?

  - Are you looking for a process change?

  - Are you choosing between an HFM upgrade or moving to the Cloud?

- Do you have any consolidation nuances that exist in HFM today?

  - Can these be replicated in FCCS?

  - Will you potentially need to implement some workarounds?

Are You Ready?

Things to Think About... Continued

- Do you have any data integration nuances?
  - Worried about replicating complex data integration routines?
  - Does this fit into your organization's overall landscape?

- Will you benefit from other considerations of moving to the Cloud?

  - IT/Server cost savings

  - No more upgrades

  - Other Oracle EPM Suite products

Key Considerations

What We've Learned

- The Oracle EPM Suite opens a lot of possibilities
  - Additional reporting
  - One Suite for all EPM needs
- The Cloud is "simpler"
  - Reduced overhead
- Take advantage of the migration for process changes where needed
  - Data integration routines
  - Performance considerations
  - Consolidation nuances

SC&H
GROUP

Let's Catch Up

Kelsey Finnegan

Manager

SC&H Group

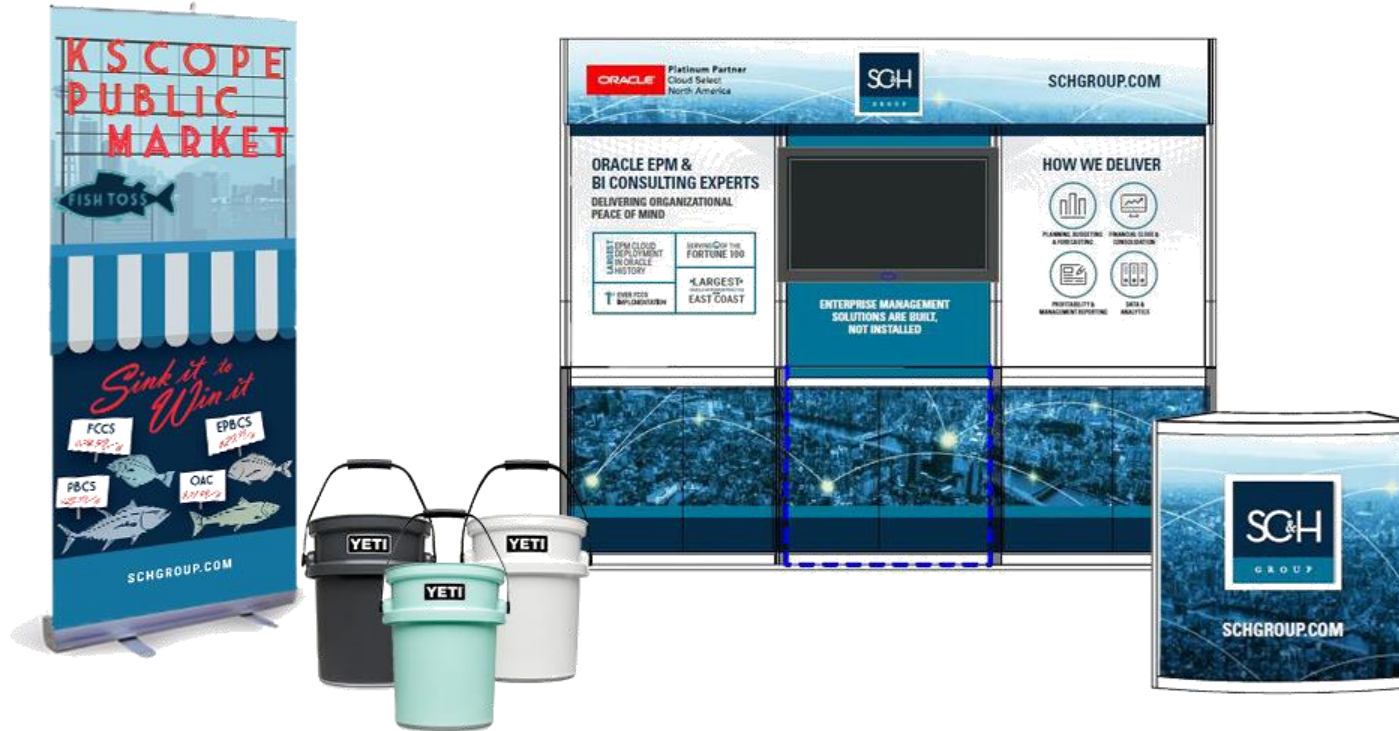✉ kfinnegan@schgroup.com

📱 703-852-5613

SC&H @ Booth #110

"Live" Fish Toss Contest

Make 3 Shots:
- Win Starbucks Gift Card
- Entered for Chance to Win 1 of 3 Yeti Buckets

Boat Keychains!
Swedish Fish!
Koozies!