

# Finance Professionals Role Workshop

## Documented Questions

- 1. Are agencies required to use the travel expense function? My agency does not currently use Travel Express.**

Travel Express will be retired and replaced with Luma's Expense Management, which will be the new statewide employee expense reimbursement tool. It can be used for all expense management including travel and other forms of reimbursement which includes specific configurations for Health Districts.

- 2. Will the employee ID (EEID) be issued or used for gas cards as well?**

WEX cards will be issued in the WEX program as it is today and remain outside of the Luma system. PCards will be tied to the individual ID in the Luma PCard module.

- 3. Will adding vendors to the system use SSN?**

Adding vendors is very similar to how we request new vendors through the "Vendor Maintenance" application in the SCO website. A Luma request form for new vendors, vendor updates, new locations, etc. is used to make requests and then approved through SCO. The form does require a W9 to be attached so you will need the vendor Tax ID and form.

- 4. Who determines vendor set up for 1099?**

The Luma vendor request form includes whether a 1099 income code should be established as part of the vendor record. The final determination is made by SCO.

- 5. How will automated invoice matching work if P.O.s are not used?**

Without a P.O. the 3-way match does not occur.

- 6. Can an invoice match to a receipt and then release from a two-way match?**

No, the system does not perform a two-way match when a P.O. does not exist.

- 7. If the invoice is less than the P.O., does it get matched and paid the rest of the money on the P.O. manually or automatically?**

If the invoice is less than the P.O., it will get matched. This allows for partial payments or full payments. It will not force you to pay the remaining balance on the P.O., you would enter the invoice amount and pay that. However, it will NOT close out the P.O. and the buyer will have to manually go "Cancel Remaining Balance" on the P.O.

- 8. If the invoice is more than the P.O., would we have to reject the P.O. and start over, or is there a modification workflow for P.O.s?**

If the P.O. and Invoice do not match exactly, Luma will create a message to alert the buyer who will then be required to find a resolution.

- 9. How does encumbering affect the 3-way match?**

Encumbering has no impact on the 3-way match. The 3-way match is referring to the matching of a purchase order, receipting document, and an invoice.

**10. With the Roles Workbook coming out now, would you speak about the "check & balances" of assigning roles for small agencies? Are there certain roles that we won't be allowed to assign to the same person for internal control purposes?**

An important aspect of configuring the Luma system is ensuring there is a separation of duties between the individual who creates a transaction and a second individual who approves the transaction. Agencies with limited staff may have more than one individual who is assigned a specific security role.

**11. Does Luma support electronic invoice payment, and does it become the official document of record?**

Yes, electronic invoices can be saved and attached to payment records and Luma will be the system of record along with supporting documents.

**12. Can we upload received paper invoices and route for approval?**

Yes, Luma allows for paper invoices to be electronically attached to payment records. Approvals are electronically routed to approvers.

**13. For 1099 reporting, does Luma use the account dimension?**

No, 1099 reporting is based the income code associated with the vendor record.

**14. Does modifying the income code mean modifying the vendor record or is that done on the invoice?**

SCO has the ability to modify the 1099 reportable income code on a vendor record. Agency users will have the option to determine whether an expenditure is 1099 reportable and override on an invoice.

**15. Who will decide if two customers are really a duplicate or two separate customers?**

The requesting agency and the Luma sustainment team at SCO will collaborate to determine whether customers are duplicates.

**16. For agencies that use outside auditors (not LSO) will we be able to give read-only access to the system during their audit work?**

Yes, there is a viewer-only role in the system.

**17. What basis will the interest income be allocated? Cash or accrual?**

There will be no change to how the Treasurer's Office accounts for interest income.

**18. Will we pay universities through the interagency model?**

No, colleges and universities will be billed as if they were a "non-state" entity. The interagency billing process is solely contained within the Luma system which the universities will not fully utilize.

**19. Will agencies know the accrual codes for the agencies they bill?**

Yes, accrual codes will be available within the Luma system; however, agencies will not be required to know another agency's accrual code to create and send an interagency billing.

**20. We currently have a borrowing limit, will that automatically be turned into a credit line?**

Yes, the STARS borrowing limits will be converted over to Luma on July 1<sup>st</sup>. You will see these amounts as a "Line of Credit" in the Luma system.

**21. Will STARS be retired effective on June 30?**

Yes, please reference the SCO/DFM Fiscal Year-End memo and other Luma communications for instructions on closing out STARS and cutting-over to the Luma system.

**22. What do you mean by a custodial account?**

Custodial accounts are used to record assets held in trust or in a custodial capacity by an agency to allow them to manage and distribute trustee fund balances. Only a small percentage of state agencies hold assets in a custodial capacity.

**23. Will document numbers be discontinued/retired, or will they be built into Luma, or should we continue to track those on our own?**

There is no plan to convert document numbers from STARS. Document numbers will have to be tracked outside of Luma if an agency has a need to track them.

**24. Some vendors have multiple remittance addresses. Will Luma allow for multiple remittance addresses to the same vendor?**

Yes, each vendor can have "Locations" which will be set up for the different "Remit to" addresses. These numbers will change and will no longer be a vendor suffix. They are assigned sequentially as R-1, R-2,...R-30 etc., if a vendor had 30 different remit to locations.

**25. We have several donors that gift funds throughout the year, many of whom are new donors. How long does the vetting process take for the statewide customer list, and how do we manage the wait time when we are required to deposit checks within two days? Is it instant within the system or is it manual, as with statewide vendors?**

Users will request a new customer/Bill To or an update to a customer's Bill To by using a Service Now request form. Requests will be reviewed by the SCO. Then SCO will load new customer detail or Bill To into Luma. SCO will receive and complete all LUMA customer requests in a timely manner, typically within 2 business days unless the agency requests assistance due to an urgent billing requirement.

**26. Will Luma Asset Management "talk" to Origami Risk, or will we still need to enter assets separately in both systems?**

No, currently there is no interface between Origami and Luma. Users will need to enter information into Origami and Luma.

**27. If we identify an item in the P.O. as a non-fixed asset (based on our policy for capital asset definitions, which might be different than the state's) is there anything in the system that will prevent us from posting the P.O. if the system believes it to be capital over our definition?**

No, users will need to ensure they correctly identify, on the P.O. whether the asset will be a capital asset or not.

**28. Will existing assets be converted to Luma?**

Yes, existing assets will be converted from legacy systems, including FAS, to Luma. As an aside, please continue to update assets in FAS or other legacy systems so only relevant data is converted to Luma.

**29. I can understand P.O. tracking for new purchases after Luma implementation, but how do we handle loading historical assets when a P.O. wasn't a requirement?**

A P.O. is not required for converting an existing asset to Luma.

**30. We have assets that were not in FAS since they did not meet the CO threshold. Do we add these to Luma?**

Yes, if agency users have assets being tracked outside of FAS which need to be tracked per policy, over \$2,000 and/or pilferable items, those assets can be added to Luma. If an agency would like to continue tracking assets below the threshold, they can continue to track those assets outside of Luma.

**31. Can you please clarify the daily payment?**

There is a daily Pcard transaction interface from US Bank. If there is a Pcard transaction occurs an invoice is created. As the charges are validated and approved, the invoice is updated. The invoices can be paid daily, weekly, or monthly, however the agency deems necessary. US Bank will allow for more frequent payments if desired, not just monthly.

**32. Are P.O.s required for all Pcard purchases?**

Purchase orders are highly recommended.

**33. Why is making US Bank payments more frequently beneficial?**

Luma creates invoices daily if Pcard purchases have been made. If agency users choose to make less frequent payments to US Bank the month-end reconciliation process will be more cumbersome.

**34. ACH payment transactions will still be prohibited, correct?**

Yes, ACH payment transactions will be prohibited in the Luma cash module as one-time payments. ACH payments can only be done through the Accounts Payable module after the vendor has submitted the direct deposit request form and bank verification (letter or voided check). This is to prevent fraud.

**35. Will transfers from our investment pools into/out of active cash fund remain the same through the bank system?**

Yes, those will be coming into Luma through interfaces from the Treasurer's Office.

**36. Will agencies be able to go in and add assets (such as buildings and land) manually?**

Yes, after July 3rd agency users will be able to manually add assets to Luma.

**37. If Luma does not have barcoding capabilities, does that mean agencies cannot apply barcodes to assets either?**

Agencies may apply barcodes to assets; however, the Luma system does not have any direct integration between a barcode scanner and Luma.

**38. Will there be a portion of "training" dedicated to assets and tracking, etc.**

Yes, there will be training for how to use the Luma Asset module including any functionality to assist with tracking and reporting of assets.

**39. Health District 1 has a single Pcard used by AP to pay for many purchases; will vendors be able to see Pcard payments in the Supplier Portal?**

No, unless the procurement process was used and there is a purchase requisition/P.O. for the PCard purchase, it will end up being invoiced through Luma Accounts Payable module and then will be visible on the supplier portal.

**40. Will we be able to prepare travel documents for others in our agency/unit in Luma like we are able in Travel Express?**

Yes, users will have the ability to assign proxy users so others can create documents, submit, or conduct approvals on their behalf. The proxy assignments are done under "My Profile" in Expense Management (XM) and can be created or revoked at any time.

**41. Board of Directors does not have system access. How would this be handled; can you have someone else set up in the office as a proxy for this?**

Individuals can be set up in the Luma Human Resources module as "Non-State Employees," which will allow them to be set up as PCard holders, to have user profiles in Expense Management (XM - for travel reimbursements), as well as be able to receive payments from the payroll module. Once those individuals' access Luma, they can assign proxy users to create documents in XM or validate PCard charges.

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