



Lessons Learned from Leasing

The trials and tribulations of
implementing Lease Administration at
Bonneville Power Administration



Introductions

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- Technical Accountant
- MS in Financial Analysis
- 2 years at BPA

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- Financial Systems Business Analyst
- MBA
- 4 years at BPA

Agenda

Pre-Upgrade
Status

Planning &
Decisions

System
Development

UAT &
Refinement

Implementation
Accomplished

System Status Pre-Upgrade

- PeopleSoft Financials 9.2 Image 2 on ptools 8.53
 - Updating to Image 28 ptools 8.56
 - Lease Administration pulled big fixes from Image 32
- BPA had never implemented an update of this scale
- Approximately 600 FMS users affected

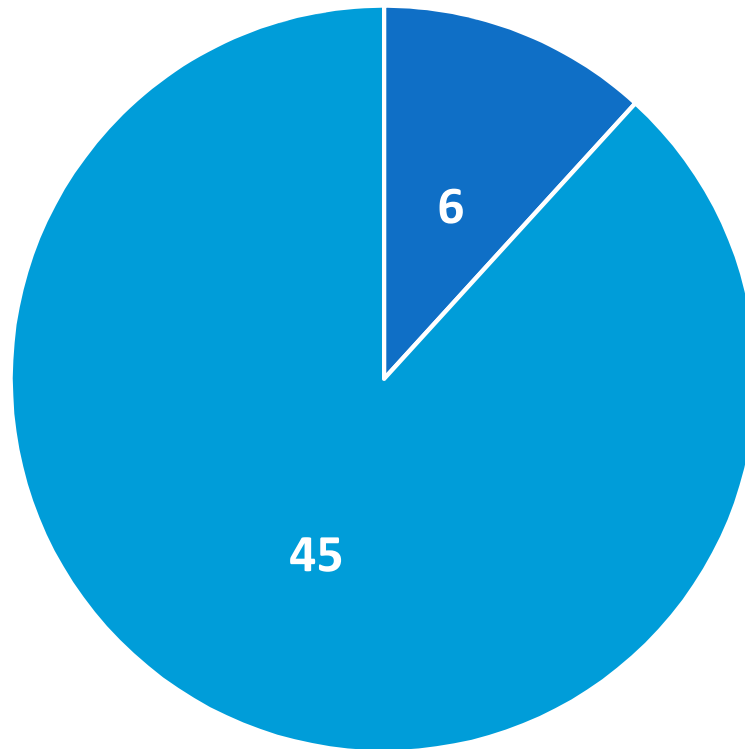
System Status Pre-Upgrade

- BPA already owned the Lease Administration (Real Estate) module before the upgrade
 - Used the module to record parent-child relationships for assets for a BPA program
 - Not used to record ASC 840 leases

Lease Accounting Pre-Upgrade

ASC 840 Leases

- Capital Leases (Tracked)
- Operating Leases (Not Tracked)



Let's do it in house

- Reviewed Oracle Red Paper “Transitioning to Lease Accounting Standards ASC 842 and IFRS 16” published May 2018
- Consulted with other firms that had taken the plunge
- Didn't think setup would be a big lift because we had been using it in the past
- Ran into issues with Accounting Entry Templates
 - a reoccurring theme
 - Lease category and cost types causing issues
- As of December 2018, could not get a lease to activate

Bring in the big guns

Finding a Consultant

- Required a very quick response
- No internal system access
- New functional lead for the project

Good News

- Activated a lease the first day
- Documented processes the first week

Bad News

- Activating a lease is just the beginning

Not big enough

- Combo edits were the first big headache we ran into that wasn't Lease setup
 - Due to accounting guidance, some combo edits on accounts were mutually exclusive
 - Chartfield error prevented lease activation until all combo edits were turned off

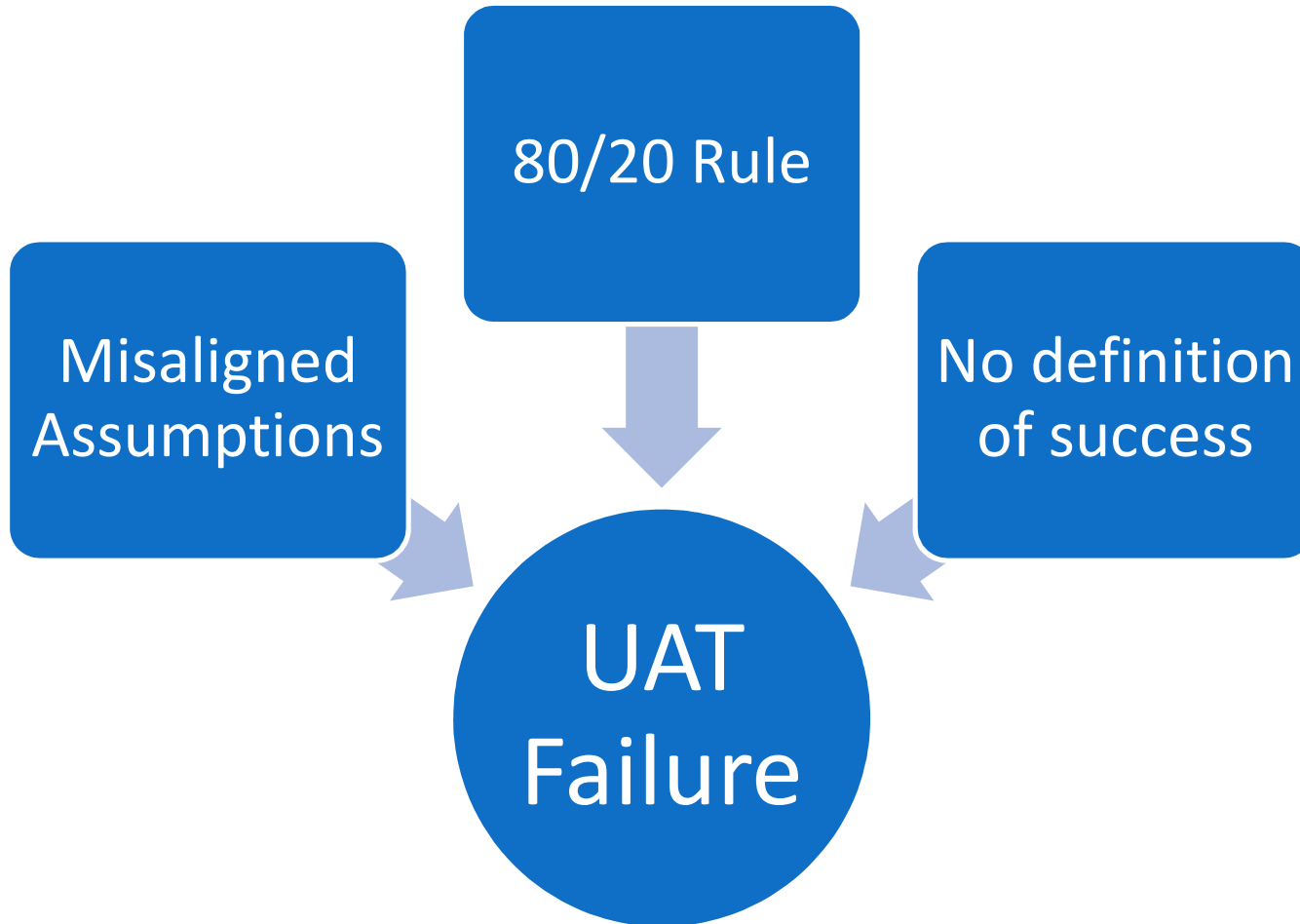


- Customization needed to work around this error

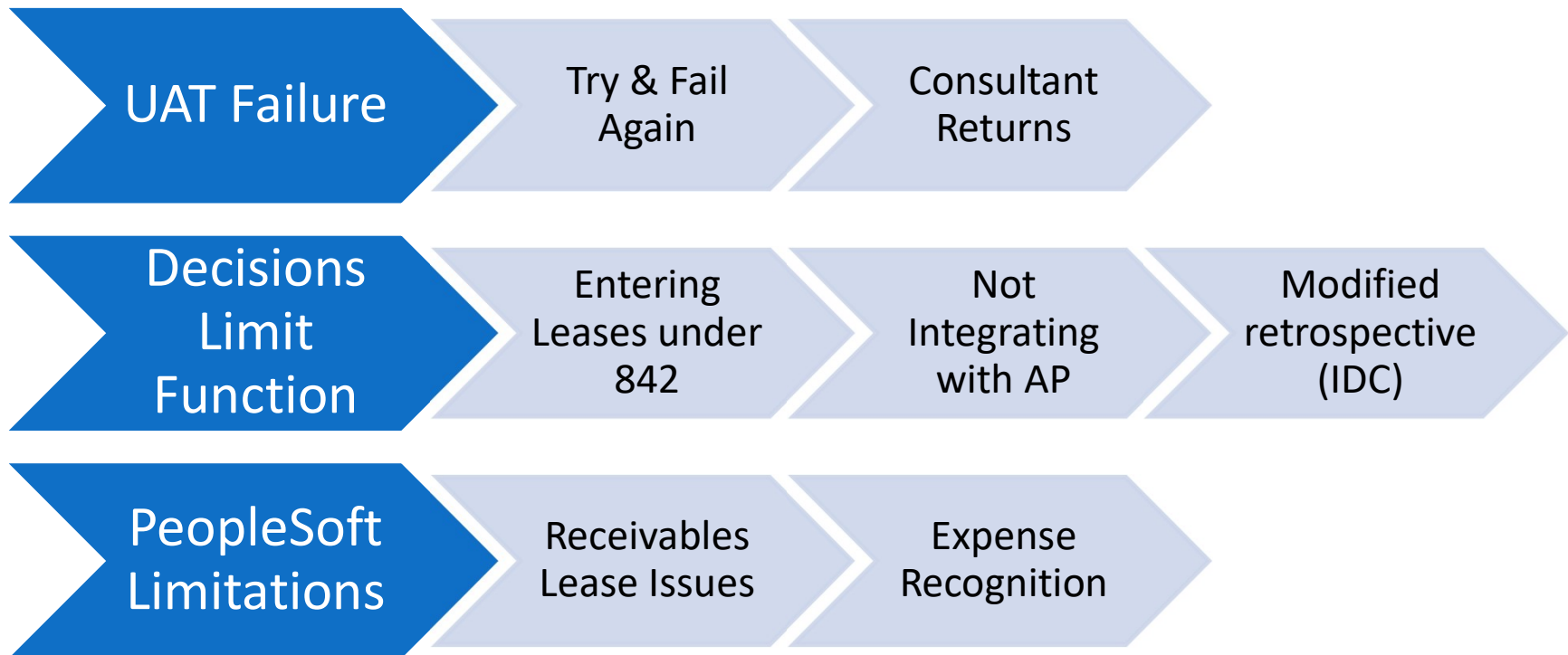
LA Development pre UAT

- Testing plan built from scratch while completing setup
 - Often would have simultaneous tests running in DEV and TEST
- No benchmarks for validation
- No clear picture of what the outcome was
- A new accounting lead was assigned

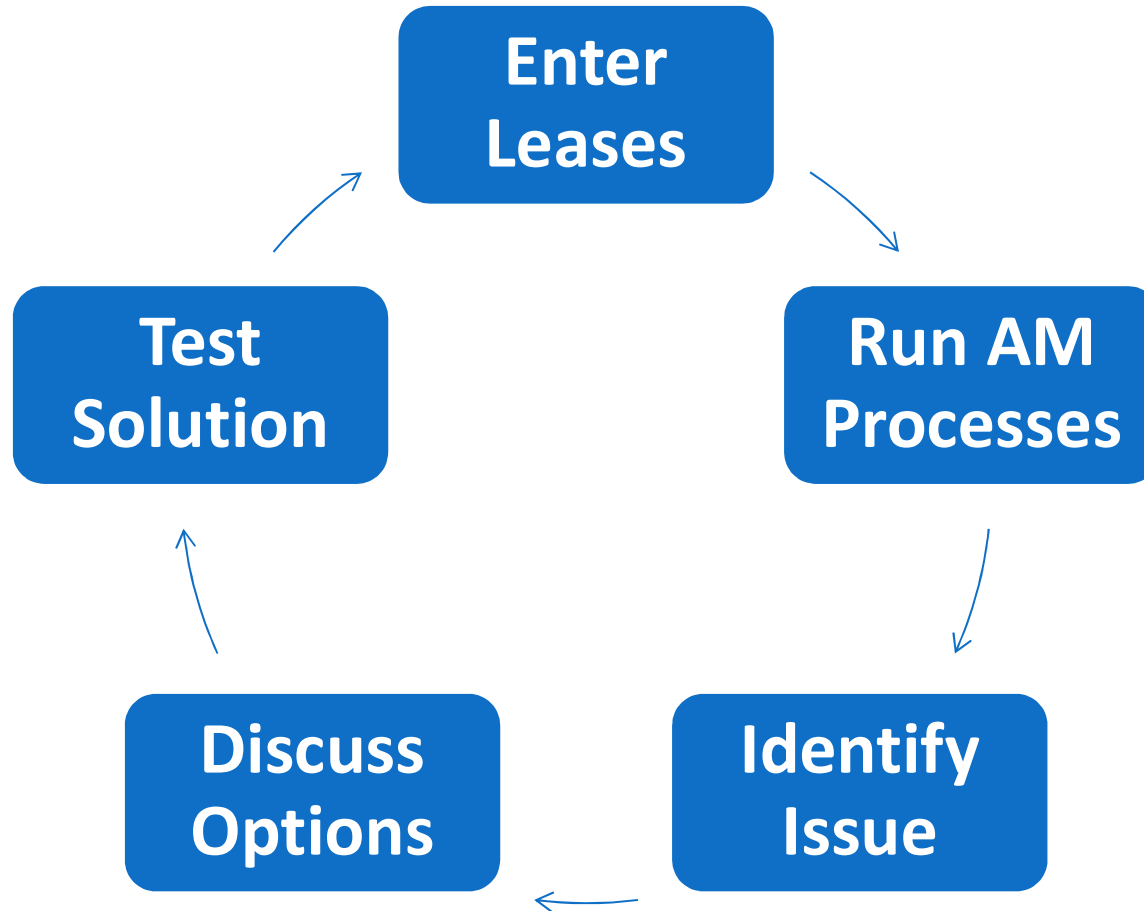
Is this UAT?



Is this UAT?



Let's get iterative



The 11th Hour

I love deadlines. I like
the **whooshing** sound
they make as they fly by.

Douglas Adams



Additional Work

- Update security roles
- Replace accounts in Accounting Entry Templates
- Complete Receivables set up
- Improve documentation



Questions

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