
No Extract of Trial Balance Directly from GL to HFM

Background

Hyperion Financial Management (HFM), utilizes a tool called Financial Data Quality Management (FDM) to assist with mapping local general ledger (GL) accounts to HFM accounts prior to upload into HFM. During a Hyperion project analysis of FDM mapping tables in the first half of 2012, it was noted that many entities still use a secondary mapping in FDM when loading their GL trial balance data into HFM (via FDM) – from old Hyperion Enterprise chart of accounts (COA) to current HFM COA. A direct mapping from local GL COA to old Hyperion Enterprise COA was maintained off line. This necessitates manually downloading GL trial balance data into Excel spreadsheets, replacing the local GL accounts with the old Hyperion Enterprise accounts, further arranging data manually in the necessary columnar format, and then manually uploading to HFM (via FDM). The upload to HFM, in this instance, utilized the secondary mapping table indicated above (old Enterprise to HFM), rather than the preferred method of utilizing a current mapping of existing local GL to HFM.

Lessons Learned

Every entity should provide trial balance extract files directly from the general ledger system. The trial balance extract must contain the entity's local general ledger COA, which is then mapped to the current HFM COA in FDM.

Loading an extract file which has been directly generated from the general ledger system will eliminate the risk associated with manually modifying or adjusting financial data in Excel spreadsheets. To prevent manual manipulation or adjustments of GL data, it is prohibited to use Excel spreadsheets as a general ledger or for consolidation purposes under the current BCO Corporate Accounting "Balance Sheet Account Reconciliation and Controllership Scorecard" policy (section 5.4).

Having a direct link to the local COA will allow traceability from HFM back to the transactional source (general ledger). This is very important because HFM only collects ending balances. This direct link to the local general ledger COA and transactional details will allow:

- Easier insight to balance sheet and income statement variance analysis,
- Ability to review the appropriateness of mapping local accounts to HFM, and
- Ability to properly reconcile general ledger trial balance data to reported HFM balances as intended in SOX control "1FTC - Local to HFM financial statement reconciliation reviewed."

If your local general ledger system does not support direct trial balance extract, work with your regional management and BCO Corporate Accounting to create a remediation solution.