

Infor Financial Management

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INTRODUCTION

As a leader in providing solutions to select vertical markets in the manufacturing and distribution industries, as well as to select non-manufacturing vertical markets, Infor® strives to keep our customers competitive in a constantly changing world.

This Statement of Direction for Infor Financial Management (Infor FM) is an overview of the major enhancements planned for future releases. The information provided is at a high level and is intended to assist customers in their selection of Infor products, as well as in strategic planning for their internal system development. The content does not include a complete listing of all new capabilities. Rather, it describes current plans, which are subject to revision or change without prior notice.

More information regarding each enhancement and the underlying features and functions can be obtained through Infor Global Support.

Infor customer-first strategy

To serve the needs of its 70,000 customers worldwide, Infor has a customer-first philosophy built on a powerful combination of people, products, and processes. Infor experts understand the needs of customers and, with Infor's extensive offering of products, they can deliver business value that customers require. Infor's streamlined processes ensure that this value is delivered in ways that customers will benefit from quickly. This commitment and customer focus form the foundation of the Infor product development strategy.

The Infor customer-first product strategy is a comprehensive approach based on three key objectives: enriching the value of our customers' current investment in Infor solutions, extending the core ERP applications with best-in-class strategic solutions, and evolving the Infor product line to produce next-generation solutions.

Infor Open SOA

At the core of Infor's enrich, extend, and evolve product strategy is Infor Open Service-Oriented Architecture (SOA), which is redefining the way software is used to achieve faster and greater business value. With Infor Open SOA, companies can more easily adapt to change because their software can be reconfigured by a business analyst without having to change core packaged software.

Infor Open SOA is being integrated into all aspects of Infor's solutions, providing the blueprint for delivering next-generation business value from every new product development initiative. Infor Open SOA enables businesses of all sizes to derive SOA benefits with reduced complexity. It can play a major role in helping companies of all sizes grow and become more competitive.

Service-enabling Infor applications allows companies to derive value by plugging in new modules more easily or writing more specific functionality such as that focused on vertical industry requirements. This could be adding a new tax module to meet a new local legal requirement or, at a higher level, it could be a more substantial change such as adding a new warehouse management solution to an existing IT environment. Infor will use service-enablement to provide out-of-the-box integrations that are more flexible and reduce deployment costs.

A full description of Infor's SOA strategy is available in our whitepaper, which can be downloaded at www.infor.com.

SOLUTION OVERVIEW

Infor FM is an enterprise-wide solution to the challenges faced by companies that have undergone or anticipate changes to organizational structures and operational models resulting from organic growth, diversification, or industry consolidation through mergers and acquisitions. The challenges are many and are best summarized as:

- Control and visibility of financial performance
- Effectiveness and efficiencies of financial operations and processes
- Flexibility and compatibility of financial application deployment

Such companies seek to align financial resources with corporate objectives and must take a strategic approach to financial management applications to both enable enterprise growth and support business change. Additionally, drivers such as corporate governance and compliance will require companies to assess their financial reporting capabilities and procedures.

Infor FM is primarily suited for complex organizations in the non-manufacturing space, and meets the management accounting and financial reporting requirements of a regional or head office. Infor FM is augmented by other Infor solutions to streamline financial process flows throughout the entire financial value chain to improve business-to-business, trade-related, transaction-based financial functions and processes—including sourcing, procurement, and performance management.

Infor FM is positioned as corporate office solutions for Infor ERP_{LX}[™] and Infor ERP_{LN}[™] and supports all capabilities at the corporate office, such as corporate office administration, consolidation and budgeting, and indirect procurement.

Infor FM is integrated with Infor PRMS and offers companies maximum flexibility in terms of configuration and adoption within an existing IT infrastructure. Its multi-language, currency, and legal compliance capabilities make it especially suitable for international deployments.

The following core components are available in the Infor FM suite:

Infor FM General Ledger is the core repository of financial information, providing high-volume processing and control. A key feature is its integrated, multi-hierarchical account structures that map to management accounting and reporting needs. These structures enable companies to view data from a very high level and drill down through the individual accounts and transactions that comprise a given total. A wide range of budgeting methods, allocation formulas, reporting capabilities, and multi-currency processing is also provided.

Infor FM Accounts Payables is a total payables management system that delivers flexible processing and reporting capabilities to control cash and expenses while facilitating accurate, meaningful, and rapid reporting. It supplies tools that allow organizations to customize and shape the system to meet specific business needs. Going beyond the normal functions of other systems, it provides extensive inquiry and reporting capabilities that give detailed and summary information on all payables activity within the organization. Also included are multi-company, multinational, and multi-currency support; flexible payment processing; advance tracking; invoice registration; and easy external application integration.

Infor FM Fixed Assets helps to fulfill internal and external asset accounting and property control requirements. It includes unlimited depreciation, books, and user-defined depreciation methods, as well as full integration with other Infor FM components. For organizations comprised of several separate entities, it provides the ability to define them as separate entities, if necessary, and assign each entity its own reporting and depreciation frequencies, methods of accounting, and year ends. Template assets, user-defined depreciation schedules, and user-defined tracking and monitoring systems are included. Smooth and seamless transfers of acquired assets facilitate consolidations.

Infor FM Purchasing tracks and controls the entire purchasing function from requisitioning, quotes, and approvals to purchase order and invoice processing, all the way through to receiving and vouchering. Responsibility assignments and profiles can be defined easily for all users based on their position in the organizational structure, making it easy to monitor the authorization process. Full integration with Infor FM Inventory Control helps reduce processing time and enables the automatic reordering of low-stock items, with each stock request charged to the appropriate departmental expense account.

Infor FM Inventory Control is a comprehensive solution that monitors finished goods in multi-location environments and supports several costing methods including FIFO (first-in/first-out), LIFO (last-in/first out), and others. Its time-saving automated processes include obsolete inventory, stock transfers, back orders, physical inventory counts, automatic stock re-orders, and serial number or dye-lot tracking. A variety of analytical inquiries and reports enable you to effectively manage inventory levels. Seamless integration with Infor FM Purchasing, General Ledger, Accounts Payable, and Job Cost ensures total control.

Infor FM Fund Accounting combines the strengths of Infor FM General Ledger and other Infor FM components with its own specialized functions, providing a total commitment accounting and expenditure control solution for organizations that need to oversee the outlay of funds. Its flexible design supports commitment accounting, including recording approved budgets, fund transfers, fund management, and reporting.

Infor FM Job Cost works closely with Infor FM General Ledger to automatically accumulate costs and calculate and track billing and revenue information for any project. Capital projects can be capitalized within Infor FM Fixed Assets, and project costs that cross fiscal years can be tracked and reported on with ease. Amounts can be tracked in a hierarchical manner that lets you plan and record costs in the work breakdown structure detail you choose for each project. All amounts are stored at every level of the work breakdown structure for fast, accurate summary and detailed inquiry and reporting.

Infor FM Labor Distribution automates accounting for labor costs against projects and accounts and works seamlessly with Infor Human Capital Management and Infor FM components, including General Ledger and Job Cost. It maintains employee information (such as salary, grade, and department) in a chronological database that allows users to enter current, future, and historical information. It helps organizations to plan for and enter future reorganizations or pay changes, which will automatically take effect in the appropriate period. Automated access to employee time sheets and information eliminates time-consuming manual inquiries and calculations.

Infor FM Draft Services facilitates global relationships with customers and suppliers. In many countries, it is common commercial practice for customer-supplier relationships to involve negotiable instruments such as letters of credit, bills of exchange, and promissory notes, generically known as “drafts.” A draft is a negotiable security that certifies a debt to the bearer and can be used for payment. This fully-integrated solution allows the definition of these alternative forms of customer statements and provides inquiries and reports that help organizations distinguish between total liability for current invoices and liabilities for drafts.

Infor FM SmartLink is an add-in to Excel® that enables direct communication between Infor FM and Microsoft® Excel, thereby improving productivity by eliminating the re-keying of data and greatly enhancing its accuracy and currency. With SmartLink, users can download the latest balance data directly to spreadsheets for manipulation, analysis, and generation of reports, as well as upload budgets and journal entries from spreadsheets to Infor FM General Ledger. An intuitive user interface ensures a quick, secure, and accurate flow of information.

Infor FM combines enterprise financial functionality with a variety of Infor FM solutions to provide a number of key features and benefits, including:

- Control and visibility of financial performance
 - Best-practice planning, budgeting, and forecasting
 - Management reporting and performance analysis
 - Financial consolidation, reporting, and traceability
- Effectiveness and efficiencies of financial operations and processes
 - Enterprise-wide financial scope
 - Reduced financial and operational transaction costs
 - Standardized key processes and roles
- Flexibility and compatibility of financial application deployment
 - Multiple-language and currency support
 - International legal compliance
 - System integration and platform diversity

Infor FM supports multiple currencies and is available in 11 languages including:

- English
- Spanish
- French
- Italian
- German
- Norwegian
- Finnish
- Danish
- Brazilian Portuguese
- Simplified Chinese
- Japanese

International legal compliance

Infor FM offers legal compliance in 84 countries.

System integration and platform diversity

Infor FM utilizes a Java™ thin client to provide seamless management of financial data across multiple operating systems, databases, and hardware platforms, from the desktop or the Internet. Infor FM is available on the following platforms:

- iSeries™
- MVS-DB2®-Datacom
- Windows® SQL Server™, Ingres®, Oracle®
- UNIX® - Sun Solaris™, HP/UX, IBM® AIX®-Oracle, Informix®, Ingres
- VSE-Datacom

STRATEGIC DIRECTION

Infor FM is a direct response to various global and industry trends. Some of these include the following:

- Organizations frequently reorganize their organizational structures because of mergers, acquisitions, or division sell-off. As a logical consequence, flexible financial reporting as well as easy change of the chart of accounts is required.
- Organizations reorganize finance departments towards shared services centers to optimize the total cost of ownership of transaction processing.
- Supra-national legislations such as IFRS and Sarbanes-Oxley impose new challenges for finance. The role of the chief compliancy officer has emerged.
- Cost and revenue focus has shifted towards a cash focus. As a result, there is an increased focus on cash planning and cash management.
- Companies move operations towards low-cost countries. Hence, there is a renewed focus on complying with local bookkeeping legislation.

Over the course of coming releases, Infor FM will focus on these topics. As well, ongoing investments will be made on additional flexibility and usability.

SOLUTION ENHANCEMENTS

Enhancements in Infor FM version 3.0 can be organized into three categories: saving time, enabling more control, and adding more functionality. The most important enhancements of each category are discussed here.

Enhancements enabling time savings

Some financial business processes can be labor-intensive and repetitive. Features have been added to address them. Some examples include:

- Improved integration between the GL and Excel, so that more than one journal-entry line can be copied to the GL
- Automatic creation of retained earning journal
- Start and expiry date added to automatically control the execution of recurring journals
- Batch feed function used for automatic feeding of manual payments and vouchers
- Additional selections offered for purging vouchers (payment clearing date used besides invoice date)
- Adjustments to vouchers can now be made from the inquiry program without the vendor number needing to be known
- Enhancements in selections of mass retirements (additional selections allow for refined definition of mass retirement)

Enhancements enabling additional control

Recent global financial trends point towards a renewed need for financial internal controls in the organization. Some of the enhancements are especially focused to deliver additional support for internal control. Examples include:

- Restriction of posting in future periods
- Additional JC/GL reconciliation report
- Purge records audit report
- Access to more fields in reporting (restrictions on what can/cannot be printed are being removed)

Enhancements adding more functionality

Infor FM is functionally rich. On an ongoing basis, features are added to the release. Some examples include:

- Processing credit for goods which are returned back in inventory
- Additional AR contact data maintained
- Report of vouchers on hold
- Enhancement of AP e-mail address
- Support of Canadian check format
- Update AR action list
- Update MICR file with customer bank information
- Update statement cycle fields to be alphanumeric
- Enhancement on customer statements to include rules for statement generation
- User-defined title for subtotal line added in Fixed Asset SRW

EXTENDED BUSINESS VALUE

Integrated systems out to the customer, across the organization, and extending into the supply chain can improve efficiencies and allow the organization to become more responsive to change. Infor's strategic solutions provide extensive support for all aspects of modern business.

Human Capital Management provides workforce management capabilities in the areas of employee recruitment, compensation, benefits, self-service, learning, and performance management tracking.

Supply Chain Management puts companies firmly in charge of their supply chain with superior supply chain planning and execution, warehouse management, and transportation management capabilities.

Corporate Performance Management provides the clear visibility across multiple applications, data sources, and business processes needed to measure and monitor performance, deliver business intelligence, and promote informed decision-making.

Customer Relationship Management drives intelligent customer interactions at every touch point with integrated marketing, sales, and service capabilities.

Supplier Relationship Management provides valuable, web-based communication tools that complement our supply chain management solutions and help customers manage their suppliers more tightly to meet changing customer demands.

Product Lifecycle Management improves control over product integrity with specification management, product data management, and content and document change management.

Enterprise Asset Management helps companies effectively monitor the deployment and performance of their equipment, machinery, facilities, fleets, and other capital assets.

Financial Management gives companies the reach they need to handle the financial requirements of a global economy, from financial accounting and budgeting to reporting and analysis.

Event Management is a configurable technology that notifies employees of events that require action. It acts as an invisible assistant and helps streamline operations because employees need to focus only on exceptions. This helps foster a more efficient and responsive enterprise and also supports compliance requirements because it produces an audit trail of events and actions that have been taken to address them. Infor Event Management has many uses, including transportation logistics and general supply chain applications where there is a need for event and non-event notification.

Workflow provides business process modeling, execution, and monitoring capabilities, while integrating processes across applications, people and organizations, to enable them to behave in a responsive and predictable manner.

INFOR CUSTOMER SUPPORT AND MAINTENANCE POLICIES

The mission of Infor Global Support is to provide support excellence with continuous improvement resulting in the highest levels of customer satisfaction. We achieve this by delivering value, responsiveness, consistency, and quality through our efficient product support centers and expert support staff, each of whom has the training, knowledge, and field experience required to understand your business requirements and resolve any issues in a timely manner.

Our focus is on anticipating and exceeding customer expectations, providing a consistent customer experience across all of our support centers, and maintaining an engaged environment where both our employees and our customers have a sense of empowerment.

For employees, that means a total, knowledge-based dedication to resolving customers' issues, which in turn translates to loyalty, confidence, and pride on the part of customers—the conviction that Infor Global Support is reliable, fair, and respectful in handling support and maintenance issues and administering policies.

As part of our commitment, we will continue to support all versions of Infor FM for as long as customers require (and it is technically feasible).

To support the migration of customers to Infor FM, services, tooling, and content have been developed to decrease the costs and improve the quality of migrations. In addition, services have been developed to support the process for a successful migration.

For more information about our policies, please contact Infor Global Support.

SUMMARY

Through our customer-first product strategy, Infor is committed to providing value to Infor FM customers. Our goal is to enable customers to perform better in their business. We will respond to both customer requests and market demands as we continue to enrich Infor FM, and will provide additional options for customers to extend and expand their business systems to address new requirements through Infor's strategic solutions.

About Infor

Infor delivers fully integrated enterprise solutions for a wide range of industries, as well as best-in-class, stand-alone products that address the essential challenges its customers face in areas such as enterprise resource planning, supply chain planning and execution, customer and supplier relationship management, asset management, product lifecycle management, financial and performance management, and business intelligence. With 8,100 employees and offices in over 100 countries, Infor provides enterprise solutions to more than 70,000 customers. For additional information, visit www.infor.com.



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