

**MINUTES OF THE
WEST VIRGINIA ENTERPRISE RESOURCE PLANNING BOARD
MEETING OF September 12, 2013**

In Accordance with Chapter 12, Article 6D, Section 1, of the WV Code, a meeting of the West Virginia Enterprise Resource Planning Board was held on September 12, 2013 in the State Auditor's Conference Room, Capitol Complex, Charleston, West Virginia. Due notice was given of the meeting and filed with the Secretary of State for publication in the State Register. The meeting was chaired by Auditor Glen Gainer in the Governor's absence, and called to order at 12:30 p.m.

I. Call to Order and Roll Call of Members

A silent roll call was taken with a quorum present consisting of the following Board Members:

Chief of Staff Charles Lorensen – Representing Governor Earl Ray Tomblin
Glen B. Gainer III, State Auditor
Danny Ellis – Representing State Treasurer John Perdue

Also in attendance were:

Ross Taylor – Secretary, Department of Administration
Todd Childers – ERP Planning Board
Fred Thomas – ERP Planning Board
Rick Pickens – ERP Planning Board
Mike McKown – Director, WV State Budget Office
Mike Clair - CGI
Mitt Salvagio - ISG
Dawn Warfield – State Auditor's Office
Michael Sizemore – State Auditor's Office
Carrie Chambers – State Auditor's Office

II. Approval of Minutes of August 22, 2013 Meeting

The Chair moved to approve the minutes of the August 22, 2013, Enterprise Resource Planning Board. Chief Lorensen seconded, and the motion carried unanimously.

III. Project Status – Phase B

The Chair recognized Todd Childers, PMO Director, and asked that he update the Board on the status of Phase B. Mr. Childers stated that Phase B primarily concerns the Department of Transportation's Right of Way, Safety Management, Asset Inventory Pilot scheduled to go live January 2014. Phase B Project Team has been in the process of conducting system test scripts. Out of 107 system test scripts, all 41 have executed successfully in Right of Way, 36 of 38 have executed successfully in

Safety, and 25 of 28 have executed successfully in Transportation Asset Inventory. Integration testing is scheduled September 24 through October 7; user acceptance testing is scheduled for November 8 through December 10; and end user training scheduled January 3 through 13, 2014. Of 50 total phase deliverables, 19 are approved, 17 are in process, and 14 have not been started.

IV. Personnel Matters

Chief Lorensen moved that the Board go into Executive Session in order to discuss Personnel Matters, Mr. Ellis seconded, the motion carried unanimously. The Board went into Executive Session at 12:50 p.m.

The Board reconvened its regular meeting at 1:35 p.m. The Chair confirmed that everything covered in the Executive Session was appropriate based on the motion and stated that no action was taken during the Session.

V. Unfinished Business

- **Temporary Resources for Deployment Readiness/Training** – Mr. Childers asked the Board for an update around the 15 full-time positions previously requested. The Chair brought forth some concerns around the training and prematurely overstaffing the project. He urged the Board to consider utilizing current staff members to fill the operational-type positions for now, until the needs are assessed when the system is fully stabilized. Mr. Childers stated that the Team at present has difficulty getting individuals from agencies now with the current reimbursement policy, and has reservations about being able to recruit without a significant change in the current policy.
- **Billing Model Update** – Mr. Childers noted the Team has provided updates to the Billing Model format and schedule, and provided those to Secretary Taylor and the State Budget Office Director, laying out various methodologies for spreading cost. An excel spreadsheet allows the user to calculate costs to be recovered and in what timeframe. He noted some other alternative methods have been considered, although the current one is based on the spend matrix, employee counts, W-2s, and accounts within the system and expenditure and transaction volumes. There has also been discussion around a flat dollar figure based upon the number of employees. Mr. Childers stressed the Team needs guidance and direction over the methodology and duration, so they can move forward in drafting Legislative Rules. He informed the Board that under Federal Guidelines of cost reimbursements, agencies cannot be billed before the functionality of the system is available. He indicated the project consultants are in agreement that direct billing is preferred, rather than having to maintain it as part of a central cost and incorporate it into the statewide allocation plan. Mr. Childers welcomed any other suggestions that the Board might have in regards to the methodology and duration. After

further discussion, the Board assured PMO there would be further discussions with regard to fundamental points of recovering costs.

- **Arrears Conversion Update** – Mr. Childers stated that in prior meetings, the Board had discussed the methodology of the arrears conversion timing. This information was sporadically shared with payroll administrators at the State Auditor's Conference in September. Mr. Childers said the Project Team is moving forward under the assumption that the employees, now paid current, will be moved to arrears in proposed February to facilitate necessary parallel testing. The Chair stated he would like the Steering Committee to provide feedback on this issue. Mr. Childers noted the Steering Committee is the body that proposed the original recommendation to go to bi-weekly pay. He assured the Board the Steering Committee is fully committed to the arrears conversion.

VI. New Business

- **Board Resolution #6 – Reimbursement for Project Resources** – The Chair informed the Board that Board Resolution # 6 is the current formula used for reimbursement. Under this Policy, some agencies do not fall under any type of reimbursement. He urged the Board to modify the current Policy in order to provide some reimbursement back to those agencies that are requesting reimbursement. Mr. Childers said the Project Team proposes any individual who is assigned to the Project more than 50% of their time would be eligible to receive reimbursement at whatever rate or percentage the Board agrees to. There was some discussion around the 19 original employees the project requested and the effect on those reimbursements. The Chair requested information should be included as to whether the Board or the agency was responsible for requesting the employee. Chief Lorensen agreed, and it was noted that the Board would act once the Project Team has crafted a resolution.

Next, the Board continued discussion on a previous Agenda item listed under Unfinished Business – **Permanent Resources for Ongoing Support (Approve ERP Board Positions – FY14)**. The Chair recognized an earlier question from Mr. Childers regarding the creation of more permanent positions on the Board. Chief Lorensen urged the Board to move on the issue, but to consider the Chair's concerns regarding prematurely overstaffing the project. He also confirmed that the pay ranges are within reasonable ranges that the Department of Administration experiences for individuals placed into operational roles. With concern for recent budget cuts, he encouraged the Project Team to coordinate with Secretary Taylor to continue to efficiently operate State Government. Chief Lorensen then moved that the Board authorize the proposed employment schedule at the pay rates provided. The Chair seconded, and the motion carried unanimously.

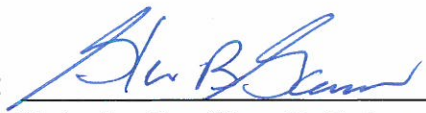
Mr. Childers noted one other issue to bring before the Board – proposed Change Order #3. The Chair moved the Board go into Executive Session for purposes of

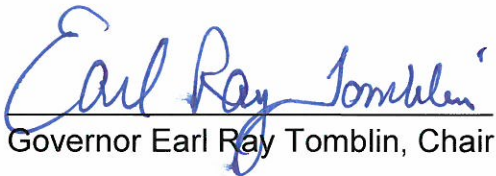
discussing Change Order #3, Chief Lorensen seconded, and the motion carried unanimously. The Board went into Executive Session at 2:00 p.m.

The Board reconvened its regular meeting at 2:10 p.m. The Chair confirmed that everything covered in the Executive Session was appropriate based on the motion, and stated that no action was taken during the Session.

VII. Adjournment

As there was no further business to bring before the Board, Chief Lorensen moved to adjourn the meeting, Mr. Ellis seconded, motion carried unanimously. The Chair adjourned the meeting at 2:10 p.m.

Prepared by: 
State Auditor Glen B. Gainer III
Board Secretary


Governor Earl Ray Tomblin, Chair