MINUTES OF THE
WEST VIRGINIA ENTERPRISE RESOURCE PLANNING BOARD
MEETING OF June 16, 2014

In Accordance with Chapter 12, Article 6D, Section 1, of the WV Code, a meeting of the West Virginia Enterprise Resource Planning Board (WV ERP) was held on June 16, 2014 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 3:30 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 – Acting Chair/State Auditor
Josh Stowers – 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
Randy Meek – ISG
Tom Augustine – CGI
Daniel Keene -- CGI
Mike Claire – CGI
Lisa Hopkins – State Auditor's Office
Dawn Warfield – State Auditor's Office
Carrie Chambers – State Auditor's Office

II. Approval of Minutes of April 14, 2014 Meeting

Chief Lorensen moved to approve the Minutes of the April 14, 2014 Enterprise Resource Planning Board, located under Tab 1. Josh Stowers seconded, and the motion carried unanimously.

III. Phase Delivery Schedule

The Chair recognized Todd Childers, PMO Director, who discussed the next item on the Agenda located under Tab 2 (attached and made a part hereof).

IV. Implementation Progress Against Milestones

Mr. Childers continued his overview of the next Agenda item located under Tabs 3, 4, 5,and 6 (attached and made a part hereof).

- **Phase C: Core Financials** – State User acceptance testing ongoing and being extended closer to GO LIVE; CGI committed to finalizing UAT with no defects to system; Update on Slide #5-training at WVSU and remote locations with 3,400 in training; Slide #6-Vendor Self-Serve live with approximately 130 (or more) logged in (June 16); Slide #7-GO/NO-GO decision of Financials going live July 8. Formal recommendation brought to Board, referring to what has been done and open items. Broken criteria in three areas: Systems, technology, people and processes. User testing still ongoing with resolution of serious/critical issues. Data request submitted, conversion validated and interfaces certified and ready; Hardware environments ready, disaster recovery fail over test to be completed before GO LIVE and performance testing to be completed before June 20; Identified end users, security and roles set up; 6/1-6/16/14 had agency outreach with cabinets and agencies going through checklist-retain to end of stabilization period; PMO recommends to ERP Board to GO LIVE with Phase C as scheduled on July 8. CGI and ISG endorse decision.

Mr. Lorensen asks CGI and ISG express in writing that they agree on GO LIVE decision by the Board.

CGI affirms: believes system ready for production and that any delay will be of no benefit.

- **Phase D: HR/Payroll** – Mr. Chiders' discussed January 2015 projections which include Travel, State/Federal Reciprocity.

  Phase D: Progressive Against Milestone – HR/Payroll systems test completed May 23; Integration testing launched with CGI folks with testing on Integration and First parallel; phase is somewhat behind schedule and PMO has asked for a formal re-plan of implementation relative to Phase D and CGI has committed to provide once preliminary parallel payroll test results are available; approximately two months behind schedule; data collection taking longer than expected (employee information from agencies) and this is one of the reasons for the request for a revised project plan; due to change in payroll from bi-monthly to bi-weekly payroll checks will be different.

- Phase E: Progress Against Milestone - CPMS, and FHWA shown in Phase E for July 2015 GO LIVE;

V. Project Financials

The Chair recognized Mr. Childers and requested he brief the Board on the next Agenda item – Project Financials, located under Tab 4 (attached and made a part hereof). With regard to the project financials please refer to Page 11 which shows current cash balance, spent to date, and other various categories that are tracked.

VI. New Business

- **DOT's Requested Change** - The next item on the Agenda under New Business is the Department of Transportation's (DOT's) Requested Change, located under Tab 6 (attached and made a part hereof). Acting Chair Gainer briefed the Board on the information that Change Order #5 was approved by the Board at the Department of Transportation's request. A slight change was made: $29,250.00 out of POH was made to accommodate the ability to start Phase C training a week earlier. POH balance reduced.

- **User Fee** – Mr. Childers' moved that the Board to approve a $200 per FTE as rate structure. Requested that the Emergency Rule filed with SOS be filed with no modifications and asks that SOS make a recommendation to approve the formula as a part of the Board filing. The formula is difficult to detail and subject to change. Project will need approximately $8M in FY 2015 to meet contractual obligations and ongoing support and maintenance of systems that are up and running. The bill will go out to agencies September 30, as recommended by the State Budget Office. If a new position is created, the agency will be billed for that position.

Chief Lorensen moved that the ERP Board establish the ERP System User Fee for Fiscal Year 2015 as $200 per budgeted FTE for 2015 and determined as of September 30, 2014 or July 1, 2014, whichever is less. Fee to be billed thereafter and payable in January 2015 as based on information provided by PMO and calculations provided by the State Budget Office. Josh Stowers seconded, and the motion carried.

Dawn Warfield was recognized by the Chair and moved for a motion to approve the legislative rule without amendment as an agency approved rule. Chief Lorensen moved further that the board file the agency approved rule without amendment. Josh Stowers seconded, and the motion carried unanimously.

VII. Unfinished Business

The Chair asked Mr. Childers to discuss the next two items located under Tabs 6 (attached and made a part hereof):

- **Amendment 5** - Adjustments made for the Board approved Change Order #5. New functionality and timing being laid out relative to Change Order #5.

- **Data Collection** – Slide 19: Slides related to data collected for Phase C and D. Many agencies have not provided updates. For some agencies update may not be necessary so initial information provided will be loaded.

- **Other Items:** Chief Lorensen asked if the project team would reach to the Commissioner of Agriculture and Supreme Court and stated that the Governor's Office would reach out to the rest.

- **Kronos** – Several communications received - Enterprise wide cost structure and licensing structure. No time available to date to give proposal due consideration in light of everything known. Short 3,000 supervisor licenses but they have come back and offered Enterprise licenses that would not only address our supervisors but also address potential employee users of the Kronos system. At this time 39,000 employees are licensed but if a large institution, such as WVU, gets on board, we do not have enough licenses. (Slide 21-offered through June 27). The Legislature and Supreme Court are not using Kronos at this time.

Dawn Warfield was recognized by the Chair and stated that this would open up 1800 licenses since the Legislature and Supreme Court were included in the original count.

Mr. Childers stated that they are not prepared to make a formal recommendation. June 27 will expire before ready to commit to Enterprise license unless the Board directs otherwise. Communication and education of employee workforce feel they are behind. Hold bi-weekly meetings regarding communication.

VIII. Adjournment

As there was no further business to bring before the Board, Chief Lorensen moved to adjourn the meeting. Acting Chair Gainer seconded, motion carried unanimously. The meeting was adjourned at 4:45 p.m.

Prepared by:

State Auditor Glen B. Gainer III
Board Secretary

Governor Earl Ray Tomblin, Chair