MINUTES OF THE

WEST VIRGINIA ENTERPRISE RESOURCE PLANNING BOARD

June 22, 2017

In accordance with Chapter 12, Article 6D, Section 1, of the West Virginia Code, a meeting of the West Virginia Enterprise Resource Planning Board (WV ERP) was held on June 22, 2017, in the State Auditor's Conference Room, Building 1, Room W-100, 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.

I. Call to Order and Roll Call of Members

The meeting was chaired by Auditor John B. McCuskey, and called to order at 1:38 p.m. A roll call was taken with a quorum present consisting of the following Board Members:

Jason Pizatella - Representing Governor James C. Justice,II
John B. McCuskey – State Auditor
Josh Stowers – Representing Treasurer John Perdue

Also in attendance were:

Kent Hartsog, WVSAO
Rick Pickens, ERP Board
Tom Augustine, CGI
Greg Bailey, WVDOT Keith
Chapman, WVDOT
Matt Ellison, ERP Board
Lisa Hopkins, WVSAO
Lea Ann Richards, WVSAO
Phil Kabler

II. Approval of Minutes of April 18, 2017 Meeting

Jason Pizatella made a motion to approve the Minutes of the April 18, 2017 Board meeting. Josh Stowers seconded the motion. The motion carried unanimously.

III. Phase D Update

A. Wave 1 and 2 Outstanding Issues

Mr. Hartsog advised that the Wave 1 and 2 summarization of certain payroll accounting transactions has been corrected and only one issue remains that CGI is currently addressing.

B. Wave 3 Post Go-Live Status

Mr. Hartsog advised that Go-live activities have been completed for Wave 3 as well as focusing on agency work, training, enhancements, and customization. There are a number of remaining JIRAs that need to be resolved as a result of the Wave 3 going live, however, Wave 3 went very smoothly with only one programming problem with DHHR which was fixed. Mr. Pizatella asked whether every employee in State Government except Marshall and WVU are currently being paid biweekly and Mr. Hartsog confirmed. He indicated that in the future they will be working on software upgrades and eliminating legacy systems to improve cost efficiency with a focus on facilitating functions, standardization of processes and knowledge transfer.

Mr. Pizatella congratulated the team on the good work on the Wave 3 rollout. Matt Ellison confirmed that they were more prepared for Wave 3 and there was less confusion as communication began in January to prepare the agencies.

C. Marshall and WVU Update

The wvOASIS and CPU teams are still working with West Virginia University and Marshall University. Mr. Hartsog discussed the timeline and advised that there are only a few outstanding boxes on the timeline and those are issues for Marshall University and West Virginia University to address. Mr. Hartsog stated that West Virginia University and Marshall University are fully engaged and committed to the dates previously confirmed as August 19, 2017 for Marshall University and September 16, 2017 for West Virginia University.

IV. wvOASIS Project Management

A. JIRA Update

Mr. Hartsog confirmed that the new process to identify and monitor the status of JIRA tickets has been successful and that several tickets have been closed. The process in place prioritizes the tickets and has CGI and wvOasis address 10-15 tickets at the same time to clear system problems and defects. Several tickets have been closed.

B. Knowledge Transfer

The Knowledge Transfer Plan is second in importance to payroll. The goal is to get the Knowledge Transfer accomplished to remove consultants to the extent possible, with the understanding that some assistance will always be needed from them. Mr. Pizatella asked if April 30, 2018 was the deadline to decide on the Dataview contract extension and Mr. Hartsog confirmed that the Dataview contract will expire May 8th or 9th of 2018 and Knowledge Transfer is an important factor in determining whether the Dataview contract would need to be renewed.

C. Kronos Upgrade

Mr. Hartsog informed the Board that they will be submitting an RFP within the next month or two and will advise the Board of it's recommendation.

D. Transparency Site

Mr. Hartsog advised that the Transparency Site is projected to be complete in 2017. There is an issue with P-card transactions but they are working to correct the problem.

E. Virtual P-Card

Mr. Hartsog informed the Board that the Virtual P-Card expected rollout is before the end of 2017 if the P-Card financial institution is not changed. Auditor McCuskey confirmed that the vendor selection is currently under review by the Purchasing Division. There could be a delay if a new financial institution is chosen.

F. Travel

Mr. Hartsog advised that the travel system has significant issues and Mr. Augustine and his team have responded quickly and made substantial progress.

G. CGI Status

Amendment 9 was approved at the last Board meeting and has been executed as approved. The status of the pool of hours is that approximately 3500 hours will remain at the end of July. The hours are used at a rate of about 800 or 900 a month. There are still Kronos hours that will be added and it could be between 1200 and 3200 hours that would be added to the CGI pool depending on whether some of those hours will be used to help pay for the Kronos upgrade which will cost about $250,000.00. Mr. Hartsog stated he would advocate using the Kronos hours for the upgrade instead of a cost increase, however, that will be addressed at a later date.

Mr. Stowers asked if the costs were different depending on which option the Board selects. Auditor McCuskey stated that the short-term option is cheaper and the long-term cloud option is more expensive but could be better over time.

Mr. Pizatella stated that if the cloud is chosen, any internet browser could be utilized for access and Mr. Hartsog confirmed that multiple browsers such as Chrome, internet explorer, etc., would be an option.

H. Cash Projection

Mr. Hartsog stated that the fiscal year 2017 balance is $3,900,000.00. The forecasted cash projection is -$3,800,000.00 Cash Balance for the end of year 2018. Revenue from user fees is approximately $8,000,000.00 annually. Spending is $15,700,000.00 which results in a $7,700,000.00 deficit. The 2018 projection is worse than the funding shortfall projection in 2019, because the restructuring of the contract with CGI is paid for in 2018.

Auditor McCuskey stated that payments were pushed out for work that was already completed. Mr. Hartsog stated there will now be software upgrades in 2018 that will cost approximately 3,100,000.00. The ongoing consultant work approximates $3,500,000.00 and that amount will be reduced next year. There are also continuing salary costs and the normal costs of the wvOASIS system that total approximately $4,000,000.00 a year.

Auditor McCuskey stated that the Board needs to take a look at funding mechanism. The user fee may need to be restructured. The Board will need to decide how to meet the funding needs.

V. Phase E Discussion

A. Approach and Scope

Tom Augustine began the discussion on Phase E and thanked the Board for the opportunity to work with the Department of Transportation ("DOT"). Mr. Augustine advised that Phase E is broken into two parts with an initial focus on FHWA certification. Phase 1 outlines FHWA certification, which is the billing that occurs with federal projects that include labor, vender payments and equipment usage. Anything that is reimbursable federally is included in Phase 1. It will also involve the use of Kronos and Agile Assets. Mr. Augustine indicated that there is one significant change to the scope. They originally envisioned a CPMS modification enhancement, however, from a risk and cost prospective it made more sense to use a State legacy system "PTS" and use an interface. At some point in the future, the DOT will need a replacement for PTS. CGI will assist DOT in evaluating the replacement of PTS and include that in Phase 2. Mr. Pizatella asked if PTS was a system used prior to wvOasis and Mr. Bailey confirmed it is something that is used now. REMIS will continue to be used until Phase 2 is complete.

Mr. Augustine began discussion of Phase 2 and advised that Phase 2 will offer some advantages to DOT in the future. CGI will work with DOT to put together a plan and schedule to rebid Phase 2 at the end of next year. A brief discussion was held and it was confirmed that Phase 1 FHWA certification will provide a conditional certification and that final certification will be obtained in Phase 2. Auditor McCuskey confirmed the importance of Phase 2 and that the conditional certification allows the state to receive federal funding. Mr. Bailey stated that Phase 2 will set forth a detailed plan in order to obtain the full FHWA certification. DOT confirmed that they asked CGI to assist with that as well.

B. Schedule

Mr. Augustine advised that there is currently an eighteen month schedule in place for Phase 1 and it will go-live July 2018. There are key milestones/hard targets including the review of the work done over the past 2-3 months and validation of the business process that will lead to the FHWA certification. There is an end of 2017 deadline to focus on design and configuration work. After the first of the year, UAT testing will begin from January through April 2018 followed by the FHWA certification in May. June will include the final cutover activities and then the system goes live in July of 2018. There will be 2-3 months of post go-live support. It is a conservative time frame with low risk.

C. Staffing

Mr. Augustine confirmed that staffing is adequate to complete the project. There will be approximately 9 people devoted to the project including State and CGI resources

D. Costs

DOT is reimbursing the Board for the cost on Phase E. Mr. Augustine stated that the project will cost an estimated $3,500,000.00 based upon approximately 26,000 hours. A MOU with the Board has been executed concerning reimbursement.

E. Tasks: described above.

F. Issues: described above.

G. Risks: described above.

H. Amendment 10

Mr. Stowers moved that the Board Adopt Amendment 10 to the contract with CGI Technologies and Solutions Inc., to include Phase E FHWA certification as set forth in the Phase E Scope Document.

Mr. Pizatella seconded the motion.

The motion passed unanimously.

VI. New Business: None

VII. Adjournment

As there was no further new business before the Board and nothing on the agenda, Mr. Pizatella moved to adjourn the meeting at 2:21 p.m. Mr. Stowers seconded, and the motion carried unanimously.

Prepared by:

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The Honorable State Auditor John B. McCuskey
ERP Board Secretary

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The Honorable Governor James C. Justice, II
ERP Board Chair