MINUTES OF THE

WEST VIRGINIA ENTERPRISE RESOURCE PLANNING BOARD

August 2, 2018

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 August 2, 2018, in the Exec Conference Room at wvOasis Building 4th Floor, 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 11:04 a.m. A roll call was taken with a quorum present consisting of the following Board Members:

Ann V. Urling - Representing Governor James C. Justice, II
John B. McCuskey – State Auditor
Josh Stowers – Representing Treasurer John Perdue

Also in attendance were:

Kent Hartsog, WVSAO
Jean Orlando, CGI
Kevin Jordahl, CGI
Tressie Bryant, WVDOT
Carla Rotsch, WVDOT
Rick Pickens, ERP Board
Matt Ellison, ERP Board
Jeff Waybright, WVSAO
Lisa Hopkins, WVSAO
Barbara Wolfe, WVSAO
Nancy Pennington, WVSAO

II. Approval of Minutes of April 17, 2018 Meeting

Mr. Stowers moved that the Minutes from the April 17, 2018 be approved. Ms. Urling seconded the motion. All members voted to approve the minutes.

III. Project Management Updates

A. Completed Projects

Mr. Hartsog provided an update on the completion of several projects that were the result of a collaborative effort. With regard to payroll, the merger of the Regional Jail Authority and the Juvenile Services under Corrections, the transfer of Department of Highways from Kronos, and implementation of the across the board raises were significant accomplishments. PEIA and FBMC deductions are now processed over 24 pay periods. Additional projects completed include the transfer of the Education and the Arts funds to other departments; the creation of a new department for the Fleet Management Division and loading of the Fiscal Year 2019 budgets.

B. Ongoing Projects

There are currently several ongoing projects including implementation of in-house Affordable Care Act reporting and associated knowledge transfer. By taking the Affordable Care Act reporting in-house, the savings will be approximately $250,000.00 to $300,000.00 per year.

The annual increment process resulted in approximately 1000 errors. The increment errors have gotten worse each year and CGI is devoting time and resources to this problem to assist with the programming. A discussion ensued regarding the additional layers of complexity concerning increment pay each subsequent year as a result of various state employees moving agencies and switching from part-time to full time, etc. It was discussed that the best solution would be to fix the business process for increment.

Another project in process concerns the ECM (Enterprise Content Management System) replacement that had caused the system to be down for at least a day. Matt Ellison addressed the fact that the system receives approximately 15,000 attachments a day and advised that they are investigating and proceeding forward to insure that this does not happen again. Two solutions were in testing to upload the necessary attachments and the best solution will replace the current ECM System.

Mr. Hartsog further mentioned the implementation of HB4015 with the Fleet Management Division, HB 4236 with the Real Estate Division and implementation of grant functionality with the Governor’s Office.

C. Travel Module

Mr. Hartsog reported that there are still problems with the travel module. Some defects have been fixed, but many still remain. Once the serious/critical problems have been resolved, the team will need to analyze the system and see if it should go statewide or if the State should evaluate using another travel system. Only 16% of departments and 10% of state travelers (excluding Marshall and WVU) are using the travel module. It either needs to be fixed and deployed or another system should be implemented. Mr. Hartsog will supply a list of the departments currently using the travel system.

D. RFQ Update

The Services contract was awarded in late May and the Kronos contract was awarded in June. The delay in getting the contract complete will probably delay the upgrade implementation by approximately a month.

IV. ERP Financial Forecast/2018-2020

Mr. Hartsog discussed the forecast through 2020. One line specifically mentioned was the addition of $2 Million dollar increase to the line item for Software, Hardware and Services that includes a server change out that will occur during the 2019-2020 time period. The forecast also includes estimated routine costs. There is a plan to hire an additional person for the helpdesk in the near future. For FY 2018 outstanding accounts receivable from the user fee total is $7,400.00 from the WV Senate. There was a discussion regarding the Senate's dispute of the headcount and paying their user fee for FY 2018.

V. CGI Contract

Mr. Hartsog advised that Amendment 11 was signed in June. The upgrade plan has had a slow start but is moving forward and he is hopeful that a formal program project plan will be completed in October. CGI has identified 155 enhancements that will be reviewed to determine if they are part of the base-line software in 3.11.

An issue regarding the hourly rates for 2018 and 2019 has caused a delay in finalizing Amendment 12. Tom Augustine previously indicated that the hourly rate would be $125.00 per hour. However, the actual rates for 2018 are $140.00 per hour off-site and $190.00 per hour on-site. The rates for

2019 are $170.00 per hour off-site and $220.00 per hour on-site. Therefore, Mr. Hartsog wanted to make the Board aware of the change in the hourly rates.

The Board had several questions regarding why the rate amounts changed. Jean Orlando with CGI addressed the rate changes stating that Mr. Augustine had offered the rate of $125.00 without approval. However, CGI has not changed their hourly rates since 2011 and believed that this was the appropriate time and a fair compromise to increase their rates. Amendment 12 addresses extra hours that were converted over time from deliverables. The hours included in the 2011 contract that continues through December 2019, are billed at a rate of $125.00 per hour. The pool of hours in Amendment 12 are considered service hours and are not part of the hours in the 2011 contract. Ms. Orlando offered to supply written information to detail the reason for the increase rate amounts and could also supply a rate card. Mr. Hartsog advised that he would like Amendment 12 to be finalized and would be frugal about the use of the hours.

VI. DOT – Phase E Update

Tressie Bryant, project manager for the Department of Transportation, provided a Phase E update and discussed the need for Amendment 13. Ms. Bryant indicated that they need an extension of three months to provide employees additional time to become more familiar with the system; to eliminate as many problems as possible and to accomplish the certification element of the system. The plan is to go-live with decreased use of the CGI team in November and December 2018. Carla Routsch, Deputy Secretary for the Department of Transportation, confirmed that they needed a few extra months and shifted the timeline to include phasing out CGI resources. Amendment 10, that the Board previously approved, stated that if there was a need for any future changes, a new amendment would be required.

VII. Amendment 13

Auditor McCuskey moved that the Board adopt Amendment No. 13 to the contract with CGI Technologies and Solutions Inc., to include the changes to certain milestones, staffing, timelines and retainage as reflected in the Amendment 13 document set forth herein. Mr. Stowers seconded, and the motion carried unanimously.

VIII. Public Comment

There were no public comments.

IX. New Business:

There was no further new business before the Board.

X. Adjournment

Auditor McCuskey moved to adjourn the meeting at 12:10 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