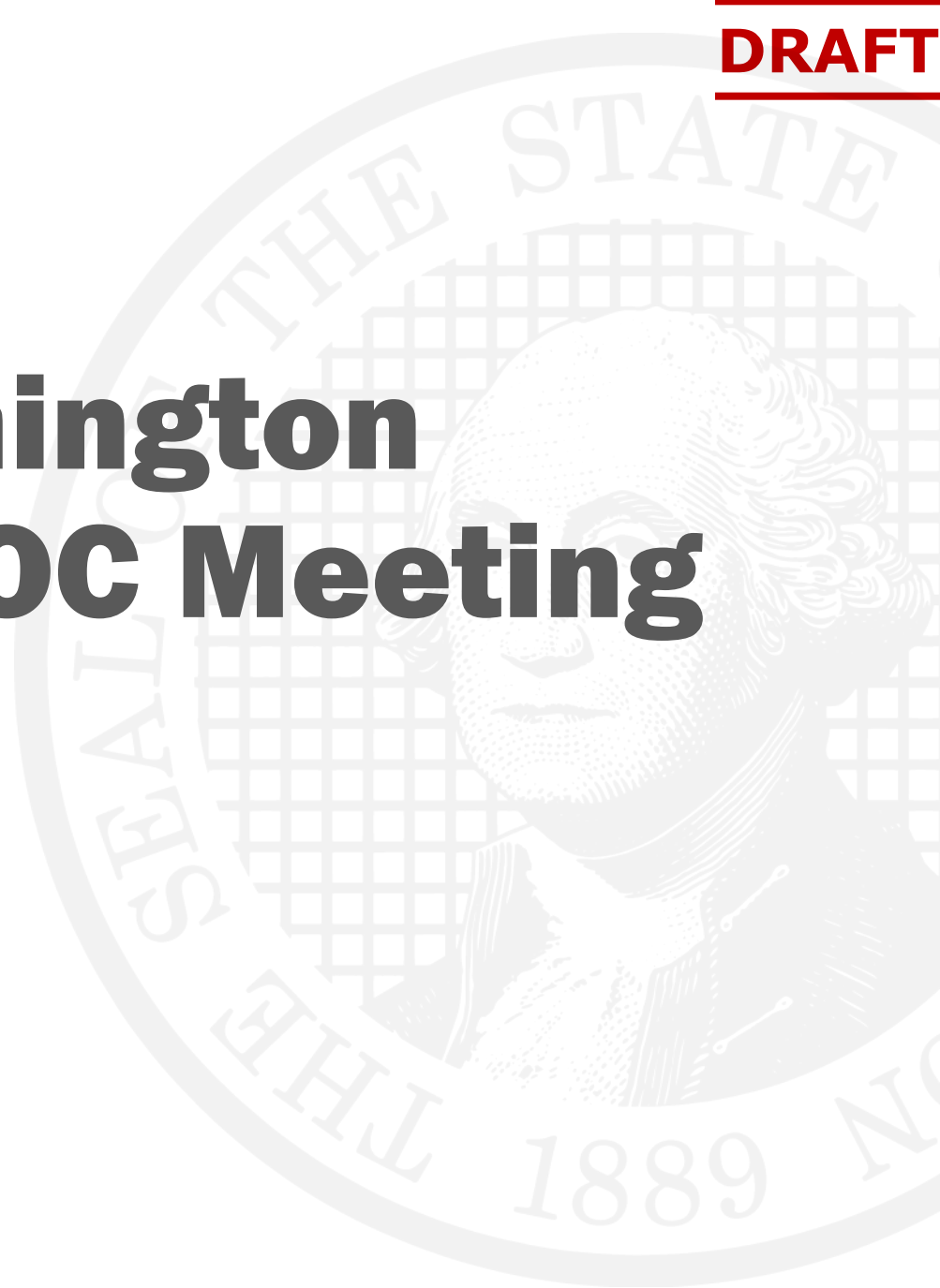June 25, 2020

One Washington Agency POC Meeting

DES-smalls

Agenda

Part 1
- Program Update
- Budget Instructions Overview
- OneWa Comms and Coordination
- Upcoming Agency Readiness Activities (People and Process)
- POC Survey
- Discussion and Next Steps

Part 2
- Budget Instructions
- Upcoming Agency Readiness Activities

Part 3
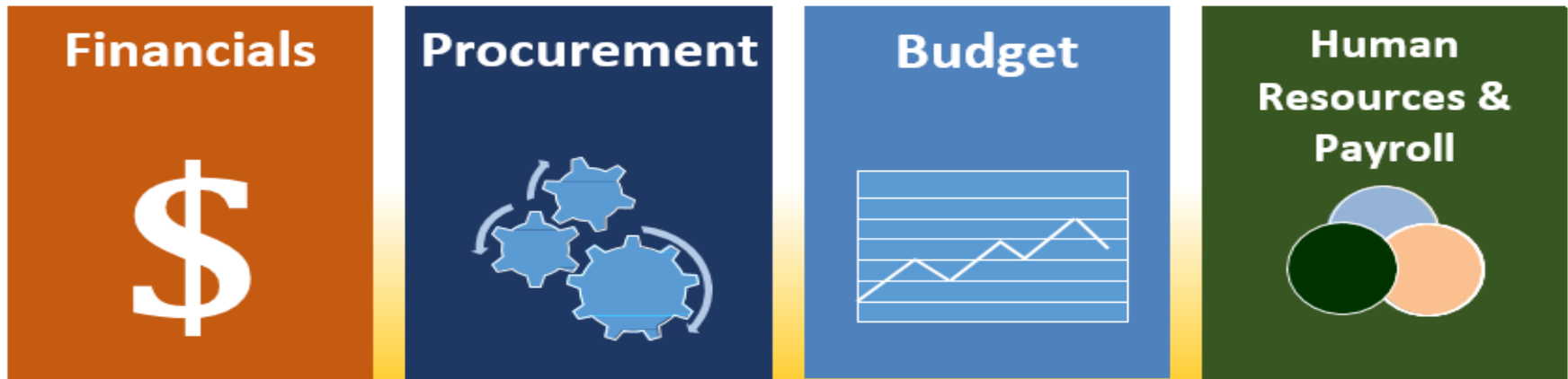- Upcoming Technology Readiness Activities

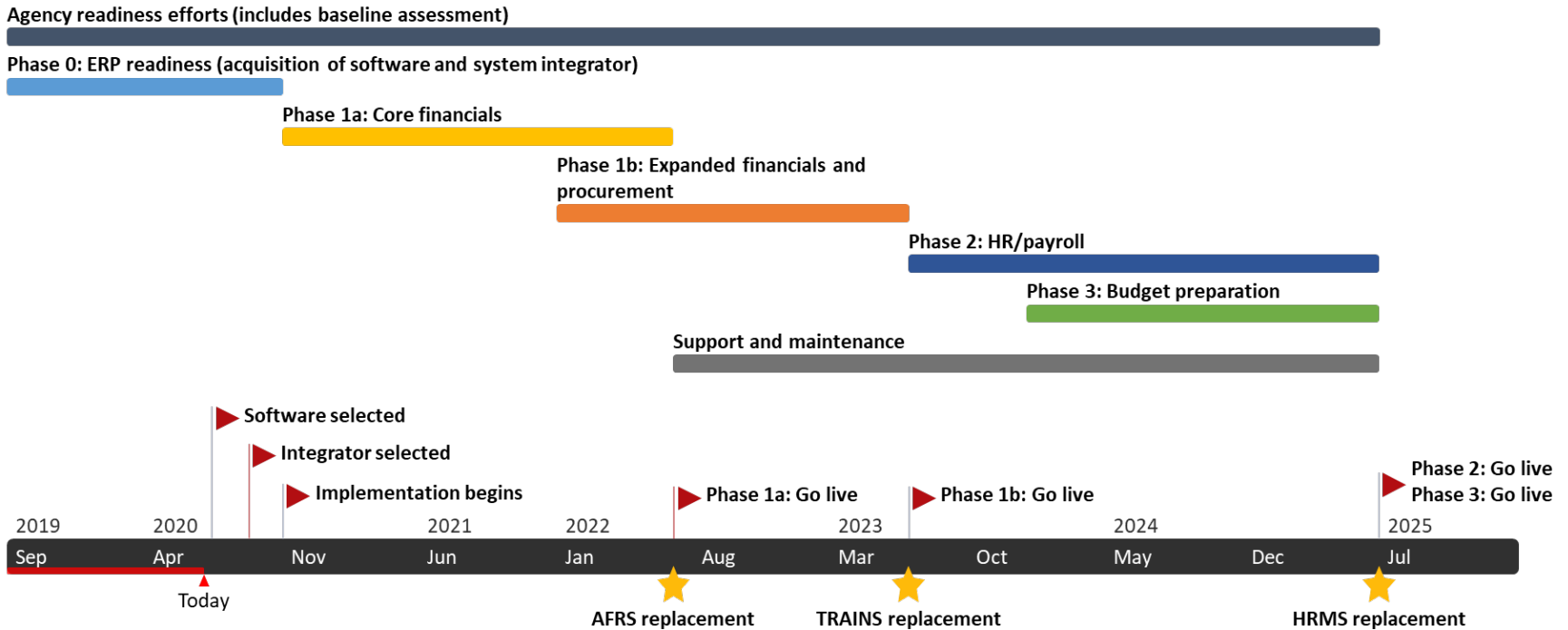# PROGRAM UPDATE

One Washington
A Business Transformation Program

Washington's Business Transformation

- Sponsored by the Office of Financial Management
- Launched in 2013-15 biennium

Financials	Procurement	Budget	Human Resources & Payroll
$	(gears)	(chart)	(circles)

Financials
- ✓ **35,821 businesses & 76,410 individuals rely on AFRS payments**
- ✓ **AFRS averaged $4.3 billion/mo. in payments in FY 2019**

Procurement
- ✓ **No centralized procurement system**
- ✓ **Missed opportunity for spending visibility & purchasing power**

Budget
- ✓ **$118 billion capital, operating and transportation biennial budget**
- ✓ **State operating budget was $8 billion when AFRS began vs $118 billion today**

Human Resources & Payroll
- ✓ **SAP on site since 2006**
- ✓ **Constrained by customizations**
- ✓ **66,000 state employees**

Modernization Roadmap

DRAFT

(calendar year view)

Planning in partnership with enterprise function owners: OFM Statewide Accounting, Department of Enterprise Services, OFM State HR and OFM Budget Division.

The plan is subject to 1) funding approval and 2) anticipated adjustments after the system integrator is onboarded early fiscal year 2021.

Business Functions by Implementation Phase

Phase 0 – System Readiness
October '19 – October '20

- Software selected
- System integrator selected
- Defined Chart of Accounts Model
- Integrations and technical readiness
- Agency readiness
- Business process improvement
- Financial implementation begins

Phase 1A – Core Financials
November '20 – June '22

- Integration layer in place
- New chart of accounts
- AFRS replacement
- Budget control
- Medicaid and standard cost allocation
- Interagency billing
- Fixed assets
- Vendor/customer management
- Accounts receivable
- Invoicing and accounts payables (including travel payments)

Phase 1B – Expanded Financials and Procurement
January '22 – June '23

- Full cost allocation
- Consumable inventory
- Travel management
- Projects/grants
- Work orders
- Procurement
  - Competitive procurement (RFx)
  - Purchase to Pay
    - Commodity code management
    - Requisition/PO and receipt
  - Vendor portal
  - P-cards
  - Punch out catalogs
  - Contract management

Phase 2 – Human Resources/Payroll
July '23 – July '25 (Options)

- Employee set up/maintenance
- Benefits
- Garnishments
- Labor distribution
- Time keeping
- Leave management
- Deductions & contributions
- Payroll processing
- Benefit enrollment
- Employee self services
- Position control
- Staff scheduling
- Performance management
- Learning management
- Personnel actions
- Classification
- Recruitment

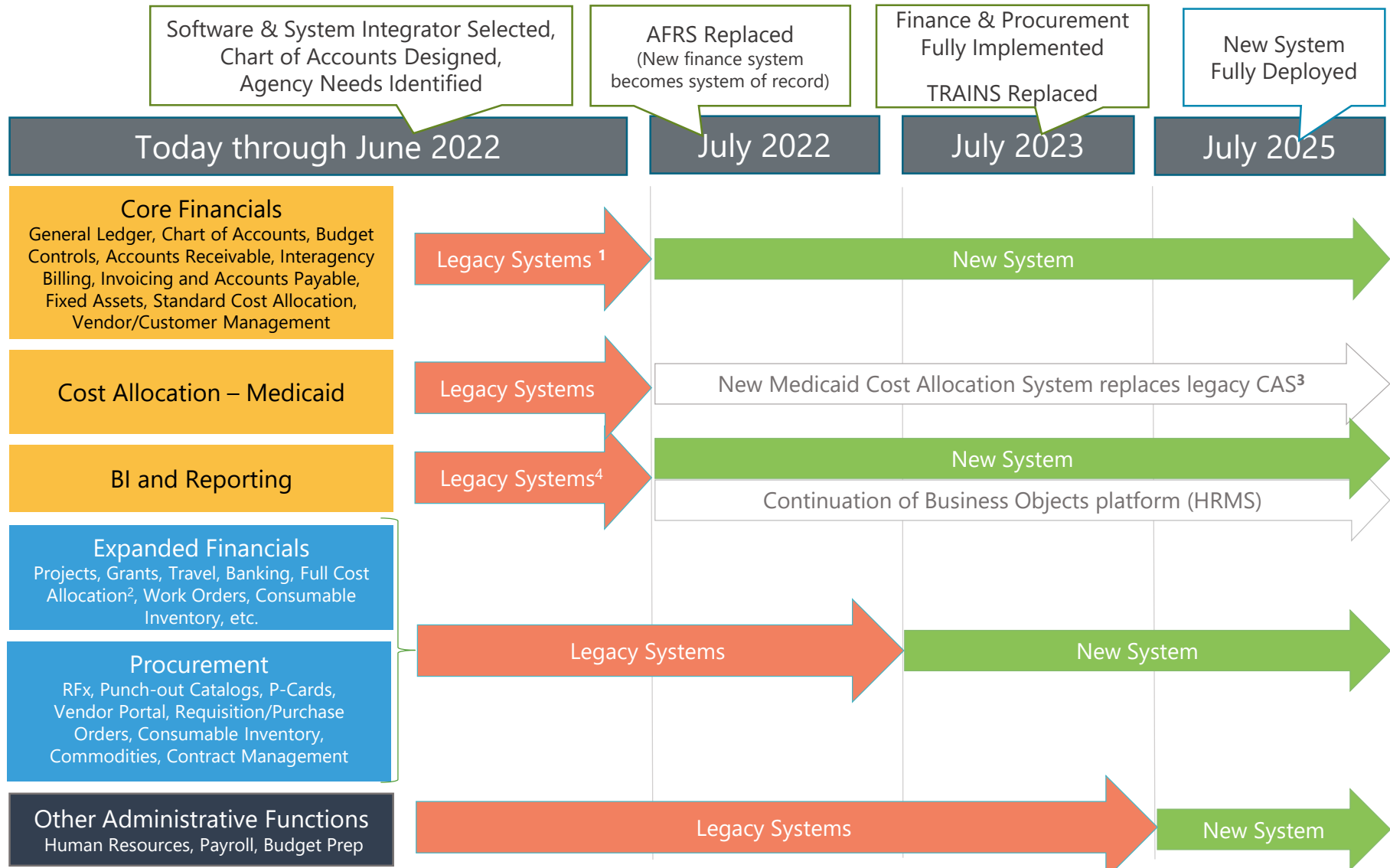### Phase 3 – Budget Preparation
July '23 – July '25 (Options)

- Operational budget preparation
- Capital budget preparation
- Forecasting
- Supplemental budget management

Note: Year references are calendar years

Planning in partnership with enterprise function owners: OFM Statewide Accounting, Department of Enterprise Services, OFM State HR and OFM Budget Division. The plan is subject to 1) funding approval and 2) anticipated adjustments after the system integrator is onboarded early fiscal year 2021.

Systems Replacement Timeline

Today through June 2022	July 2022	July 2023	July 2025
Software & System Integrator Selected, Chart of Accounts Designed, Agency Needs Identified	AFRS Replaced (New finance system becomes system of record)	Finance & Procurement Fully Implemented / TRAINS Replaced	New System Fully Deployed

Core Financials
General Ledger, Chart of Accounts, Budget Controls, Accounts Receivable, Interagency Billing, Invoicing and Accounts Payable, Fixed Assets, Standard Cost Allocation, Vendor/Customer Management
— Legacy Systems [1] → New System →

Cost Allocation – Medicaid
— Legacy Systems → New Medicaid Cost Allocation System replaces legacy CAS [3] →

BI and Reporting
— Legacy Systems [4] → New System →
Continuation of Business Objects platform (HRMS) →

Expanded Financials
Projects, Grants, Travel, Banking, Full Cost Allocation [2], Work Orders, Consumable Inventory, etc.

Procurement
RFx, Punch-out Catalogs, P-Cards, Vendor Portal, Requisition/Purchase Orders, Consumable Inventory, Commodities, Contract Management
— Legacy Systems → New System →

Other Administrative Functions
Human Resources, Payroll, Budget Prep
— Legacy Systems → New System →

Planning in partnership with enterprise function owners: OFM Statewide Accounting, Department of Enterprise Services, OFM State HR and OFM Budget Division. The plan is subject to 1) funding approval and 2) anticipated adjustments after the system integrator is onboarded early fiscal year 2021.

ONEWA COMMUNICATIONS AND COORDINATION

ONE WASHINGTON

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A Business Transformation Program
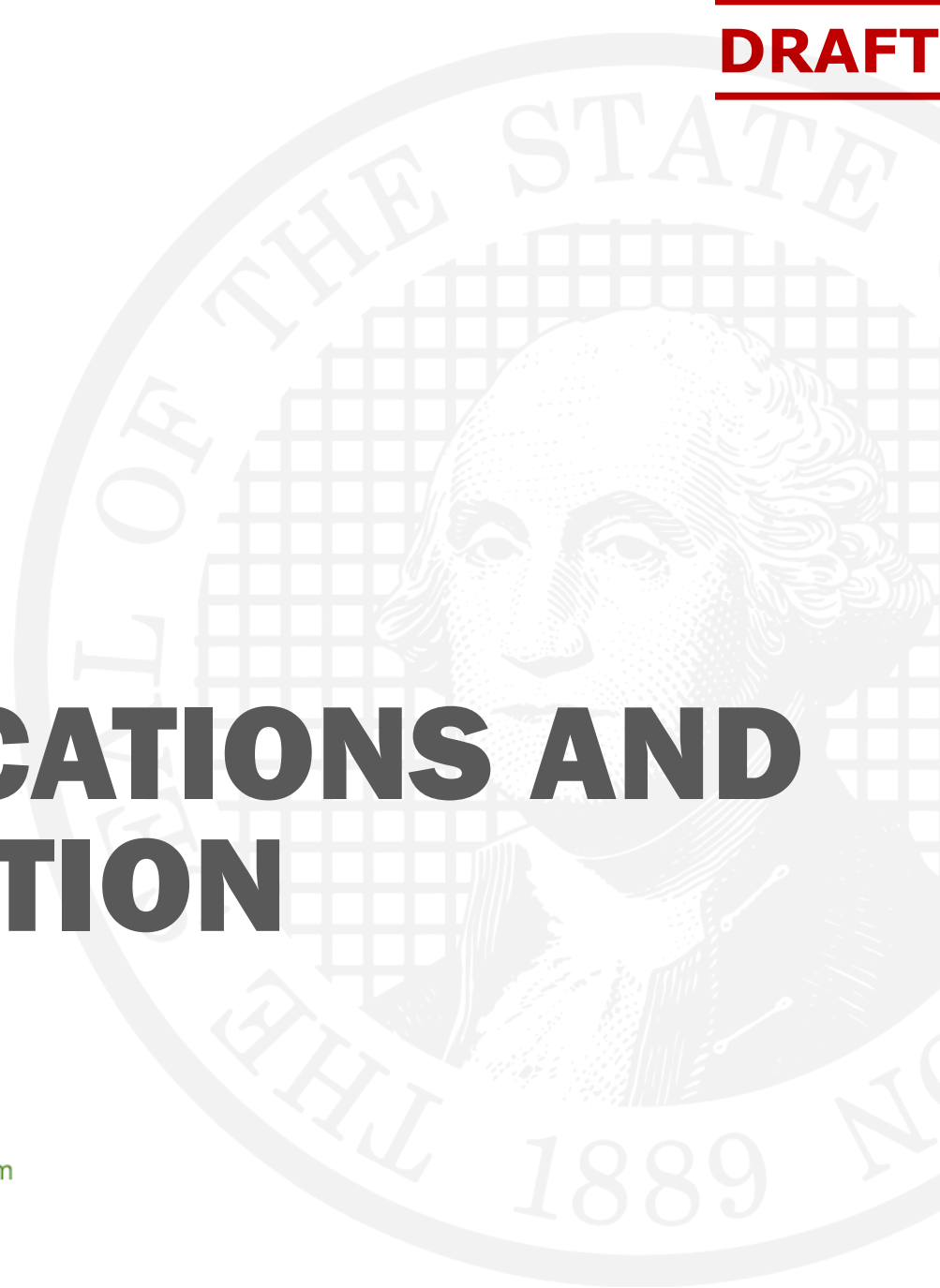
OneWa Communication and Coordination

For OneWa Phase 1a, communication and interaction with OneWa will vary depending on which agencies receive finance services from DES.

Agencies that receive finance services from DES

- DES is primary point of contact for OneWa

- These agencies will not be required to participate in the majority of OneWa activities

- All communications go through DES

Agencies that DO NOT receive finance services from DES

- Communicate directly with OneWa

- Required to participate in the majority of OneWa activities

- Communications happen directly with OneWa with Cc to DES

OneWa Support Chart

https://des.wa.gov/services/hr-finance/small-agency-services/small-agency-support-one-washington

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Future: Agency Support Team (AST) Network

Agency Support Team Network

Monthly meetings

▶ To **strengthen leadership sponsorship** and **engagement** for the program while formalizing **finance** and **technical subject matter expertise**.

Proposed Structure

| Agency Sponsor |
| POC or AST Lead |

- OCM/Change SME(s)
- Finance SME(s)
- Technical SME(s)

Next Steps

- ✓ Discuss with OneWa governance committees
- ✓ Communicate and align with agency leadership
- ✓ Begin communicating AST concept and timeline to existing POC network members
- ✓ Mobilize AST Network and kickoff monthly meetings

END: PART 1

QUESTIONS?

One Washington
A Business Transformation Program
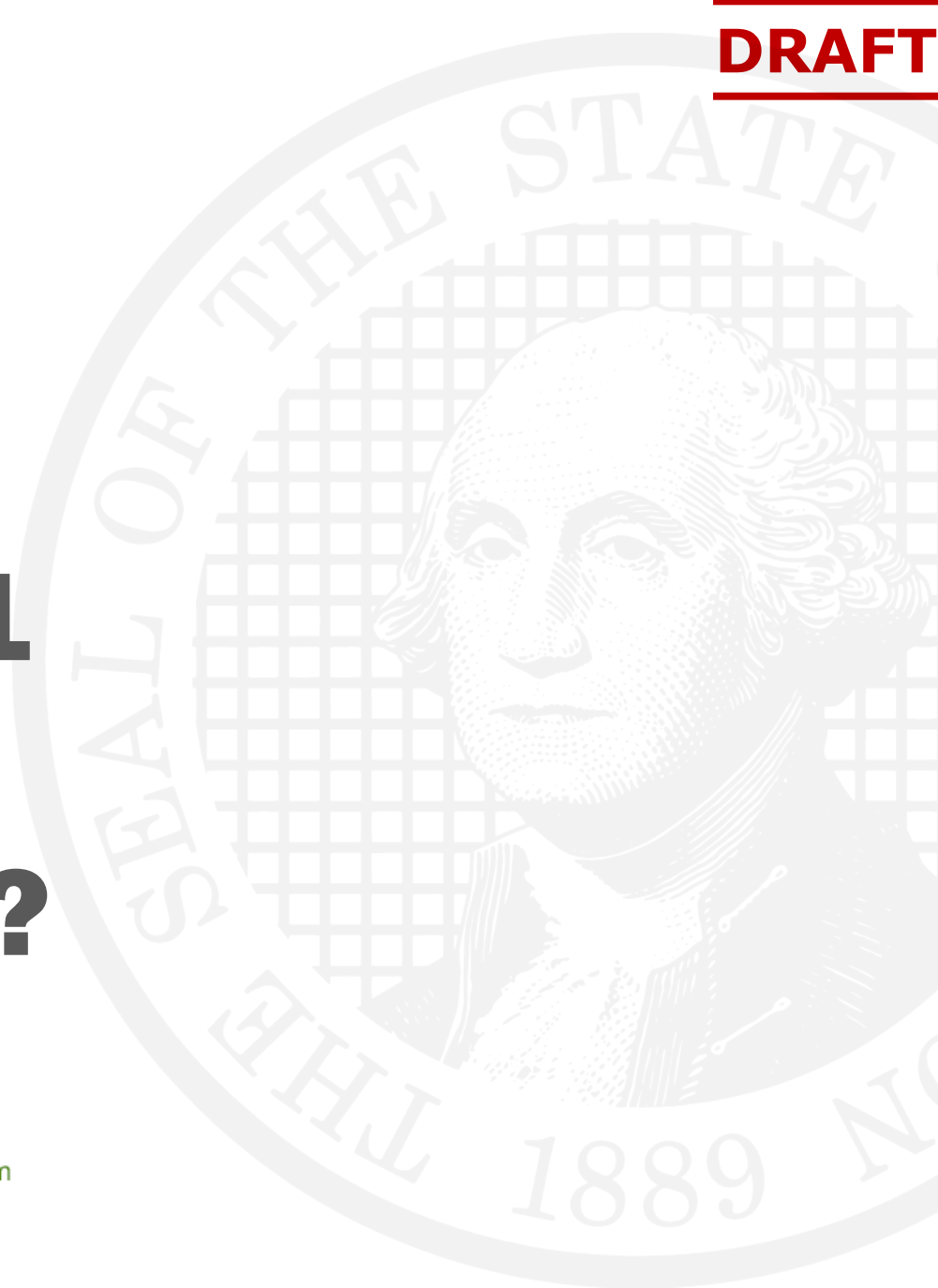
THANK YOU!

FOR MORE INFORMATION:

Website: one.wa.gov
Email: onewa@ofm.wa.gov

TO PROVIDE FEEDBACK:

onewa@ofm.wa.gov

ONE WASHINGTON

One Washington
A Business Transformation Program

BUDGET INSTRUCTIONS OVERVIEW

One Washington
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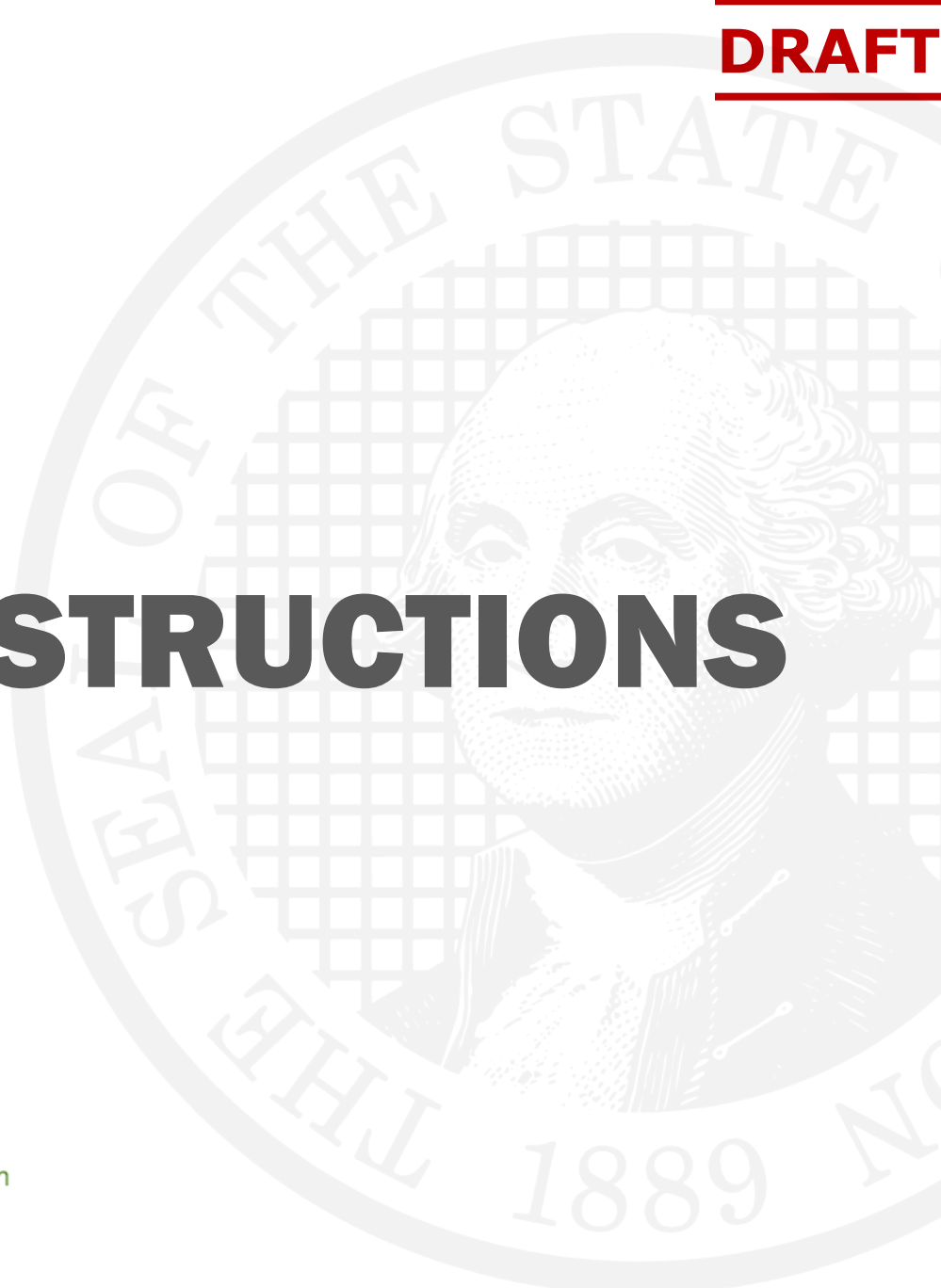
Budget Instructions

Similar to years past, OneWa will submit a consolidated decision package for the 2021-2023 biennial budget including budget requests from impacted agencies.

All agencies (100+)

Agencies with system impacts (44)

Automatically eligible to submit budget requests (15)

Budget instructions sent to these 44 agencies on 6/16 (includes 5 DES-small agencies)

15 agencies automatically qualify to submit budget requests due to finance system impacts (includes 1 DES-small agency)
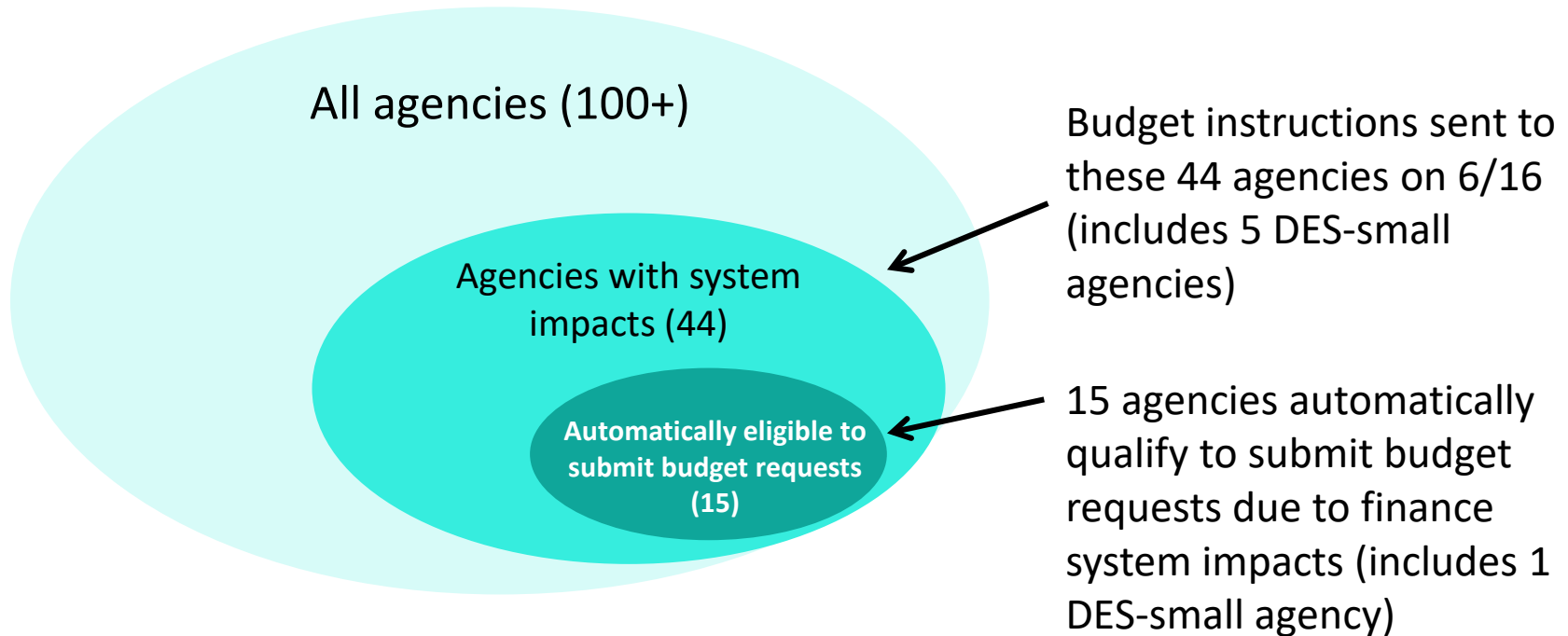
Note: The 4 agencies with non-finance system impacts may be able submit an exception request based on criteria in the budget instructions.

2021-23 Budget Timeline

- Establish Budget Advisory Committee (BAC)
- Complete build of process and sub-project plan
- Establish repeatable process for future biennia
- Develop Communication plan

Mid Dec

Governor's Budget Released

DP review:
OneWa
OCIO
Execs
BAC
OFM

Oct 1

OneWa submits Decision Package

June-July	July-Aug	Aug-Sept	Sept-Oct	Oct-Dec

Jun 22: Budget Kick-off Meeting

Jul: Budget Workshops

Aug 15

Agencies Submit Decision Packages to OneWa

DP revisions provided to agencies

15
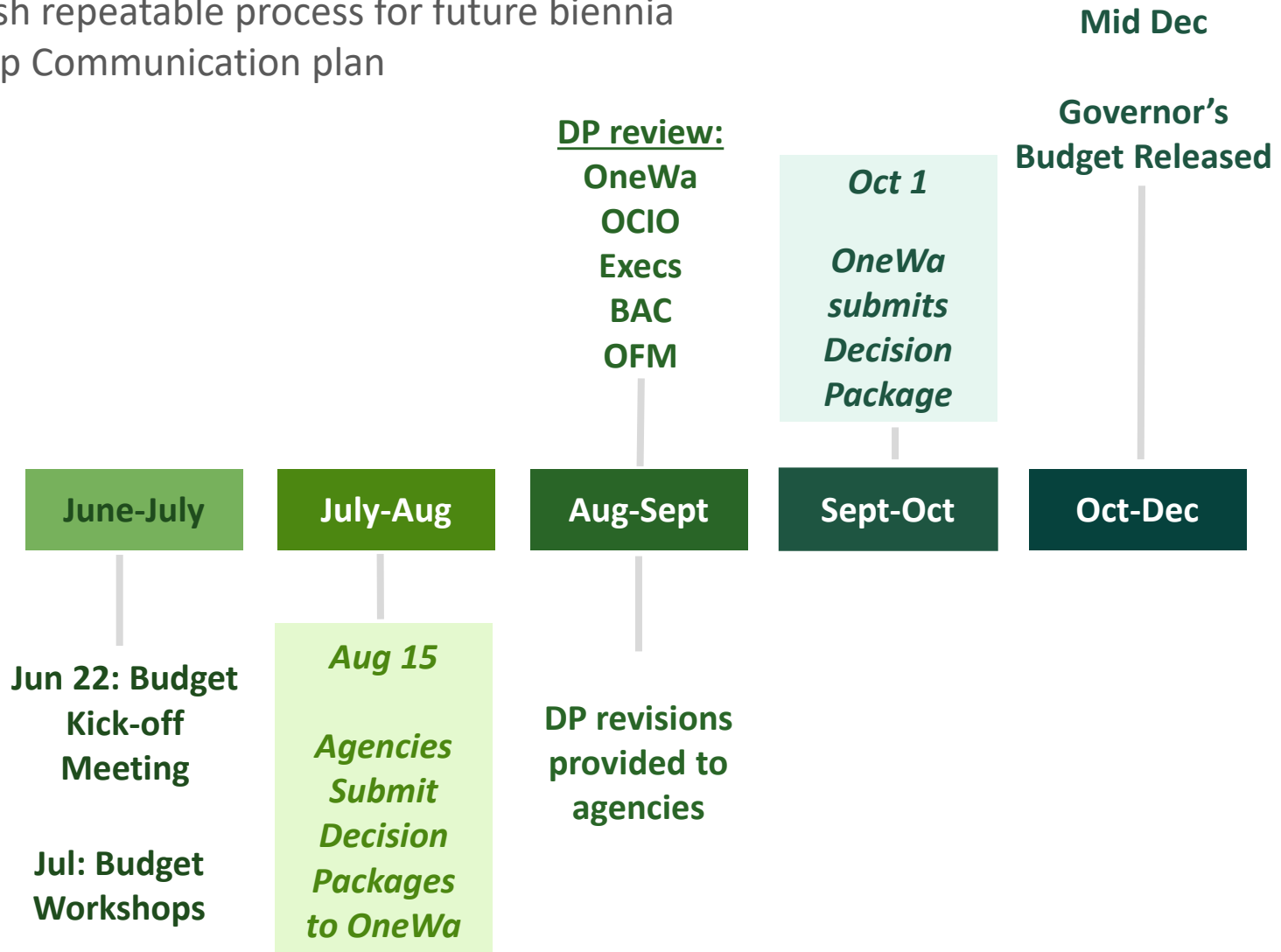
UPCOMING AGENCY READINESS ACTIVITIES

One Washington
A Business Transformation Program
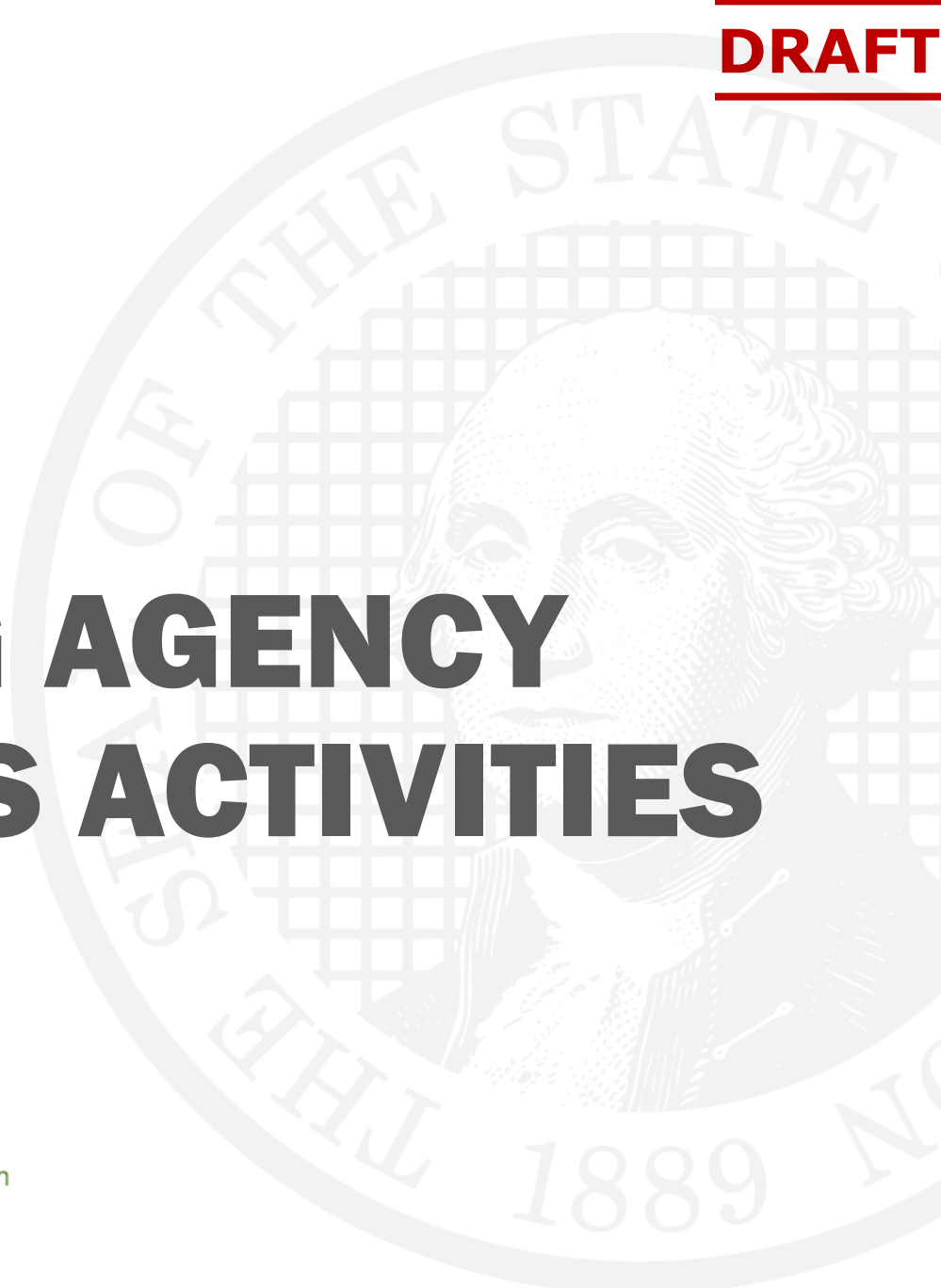
Understanding Agency Readiness

The OneWa Baseline Readiness Assessment collected and analyzed feedback from **664** participants across **69** agencies. The report highlighted people, process, and technology activities agencies need to complete to be "ready" for Phase 1a of OneWa implementation.

What do we mean by "Agency Readiness"?

People Readiness
Goal: Helping leaders and staff gain the information, knowledge, and skills to be successful at implementing and utilizing the OneWa solution within their agency.
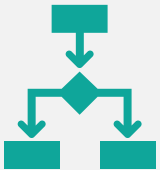
Process Readiness
Goal: Improving, standardizing, and aligning business processes to the enterprise-wide OneWa solution.

Technology Readiness
Goal: Preparing the technical components within the agency including infrastructure, systems, interfaces, security, data, and other IT components.

Key Program Milestones related to Agency Readiness

The program milestones below will provide additional details on agency activities and workload required to support OneWa. The following slides will be updated as more information on program and agency readiness becomes known.
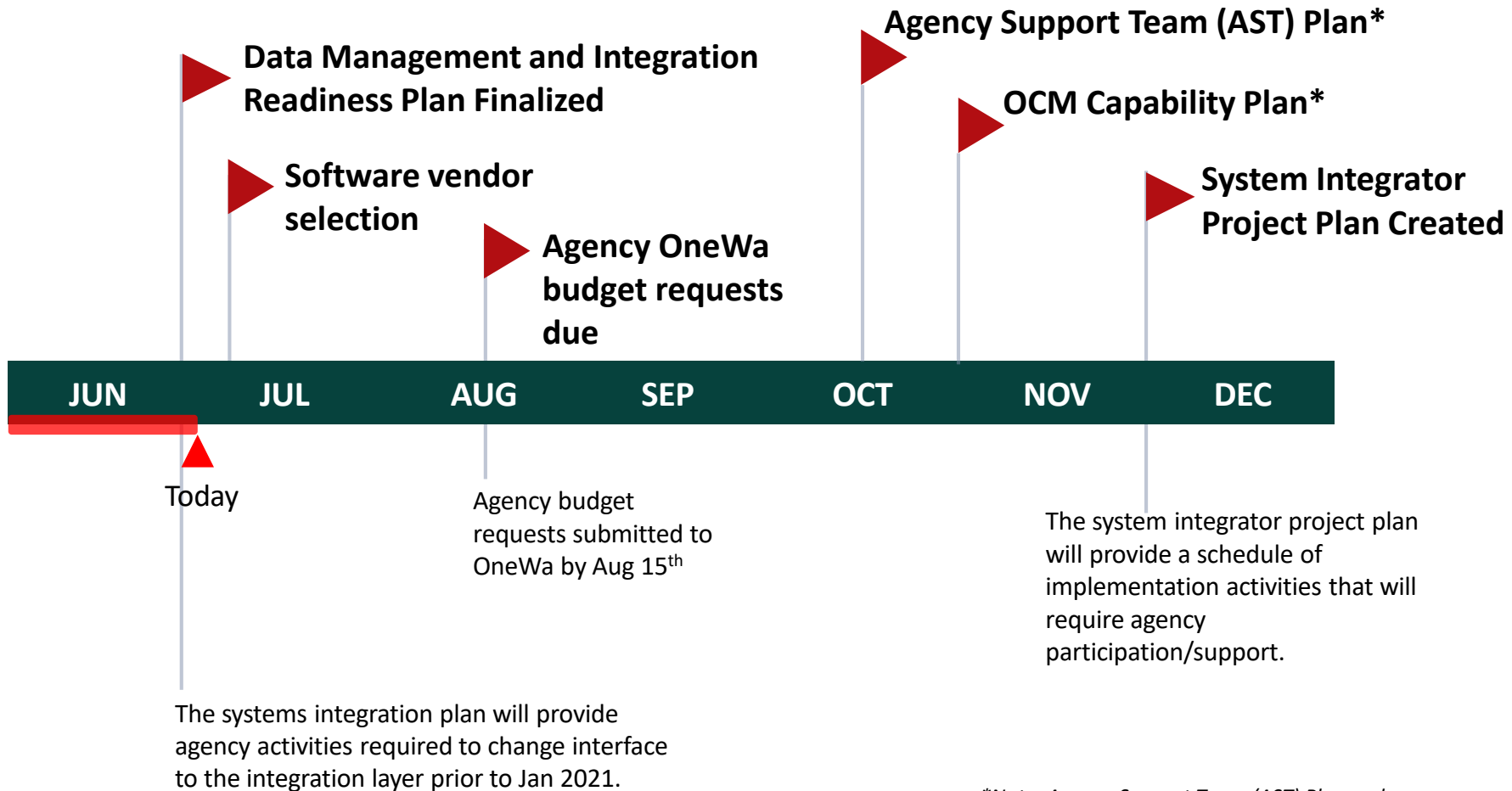
Data Management and Integration Readiness Plan Finalized

Agency Support Team (AST) Plan*

OCM Capability Plan*

Software vendor selection

Agency OneWa budget requests due

System Integrator Project Plan Created

JUN	JUL	AUG	SEP	OCT	NOV	DEC

Today

Agency budget requests submitted to OneWa by Aug 15th

The system integrator project plan will provide a schedule of implementation activities that will require agency participation/support.

The systems integration plan will provide agency activities required to change interface to the integration layer prior to Jan 2021.
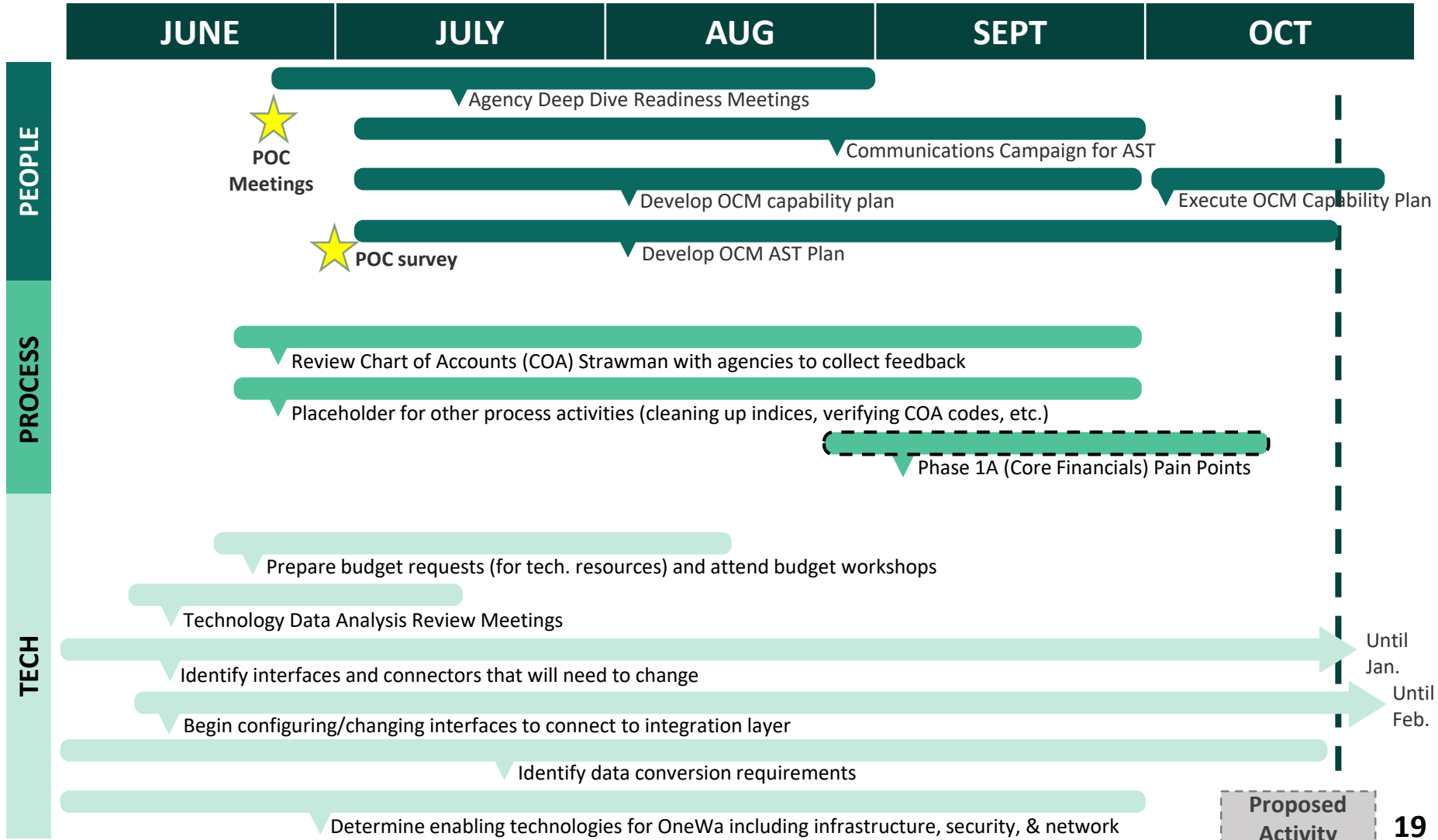
Note: Agency Support Team (AST) Plan and implementation & OCM Capability Plan and implementation to be part of Deloitte's SOW 2

DRAFT Agency Readiness: June – October 2020

There are a lot of important readiness activities agencies need to complete before implementation activities can begin in late 2020.

Agency Readiness Activities

JUNE	JULY	AUG	SEPT	OCT

PEOPLE

★ POC Meetings

Agency Deep Dive Readiness Meetings

Communications Campaign for AST

Develop OCM capability plan

Execute OCM Capability Plan

★ POC survey

Develop OCM AST Plan

PROCESS

Review Chart of Accounts (COA) Strawman with agencies to collect feedback

Placeholder for other process activities (cleaning up indices, verifying COA codes, etc.)

Phase 1A (Core Financials) Pain Points

TECH

Prepare budget requests (for tech. resources) and attend budget workshops

Technology Data Analysis Review Meetings

Identify interfaces and connectors that will need to change — Until Jan.

Begin configuring/changing interfaces to connect to integration layer — Until Feb.

Identify data conversion requirements

Determine enabling technologies for OneWa including infrastructure, security, & network

Proposed Activity

19

Agency POC Survey

OneWa will be launching a short, 15-16 question survey to all agency POCs at the end of June, which should take no more than 15 minutes to complete.

Objectives

- Understand agencies' current environment and how it relates to OneWa.

- Understand the level of support for OneWa and if the level of support has changed.

- Evaluate effectiveness of readiness activities and what needs to be improved.

Audience

OneWa will send the survey to all Agency POCs (and agency steering committee members if applicable).

Timeline

OneWa will send out the survey link the week of 6/29 with responses due back 7/17.

DISCUSSION & NEXT STEPS

One Washington
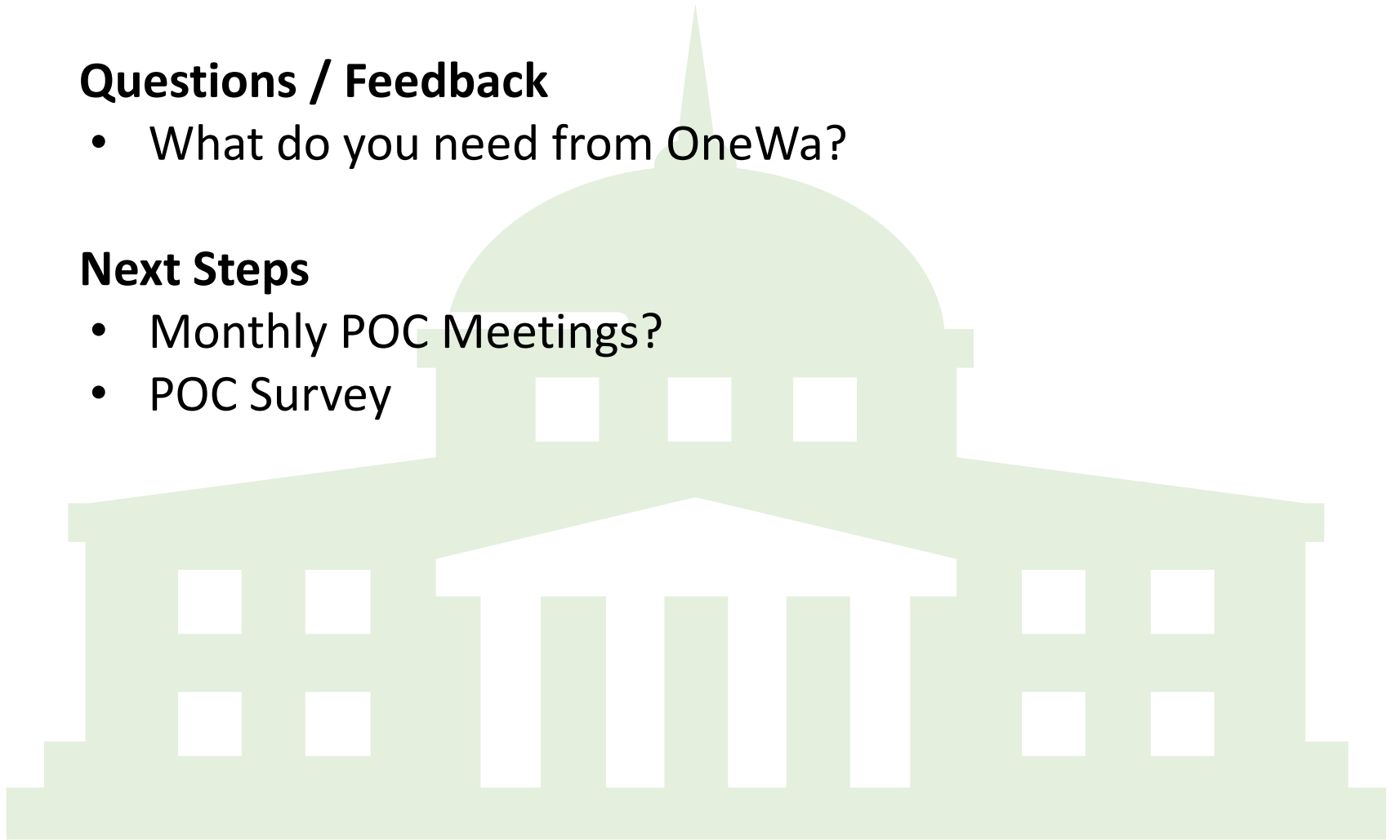A Business Transformation Program

Discussion & Next Steps

Questions / Feedback
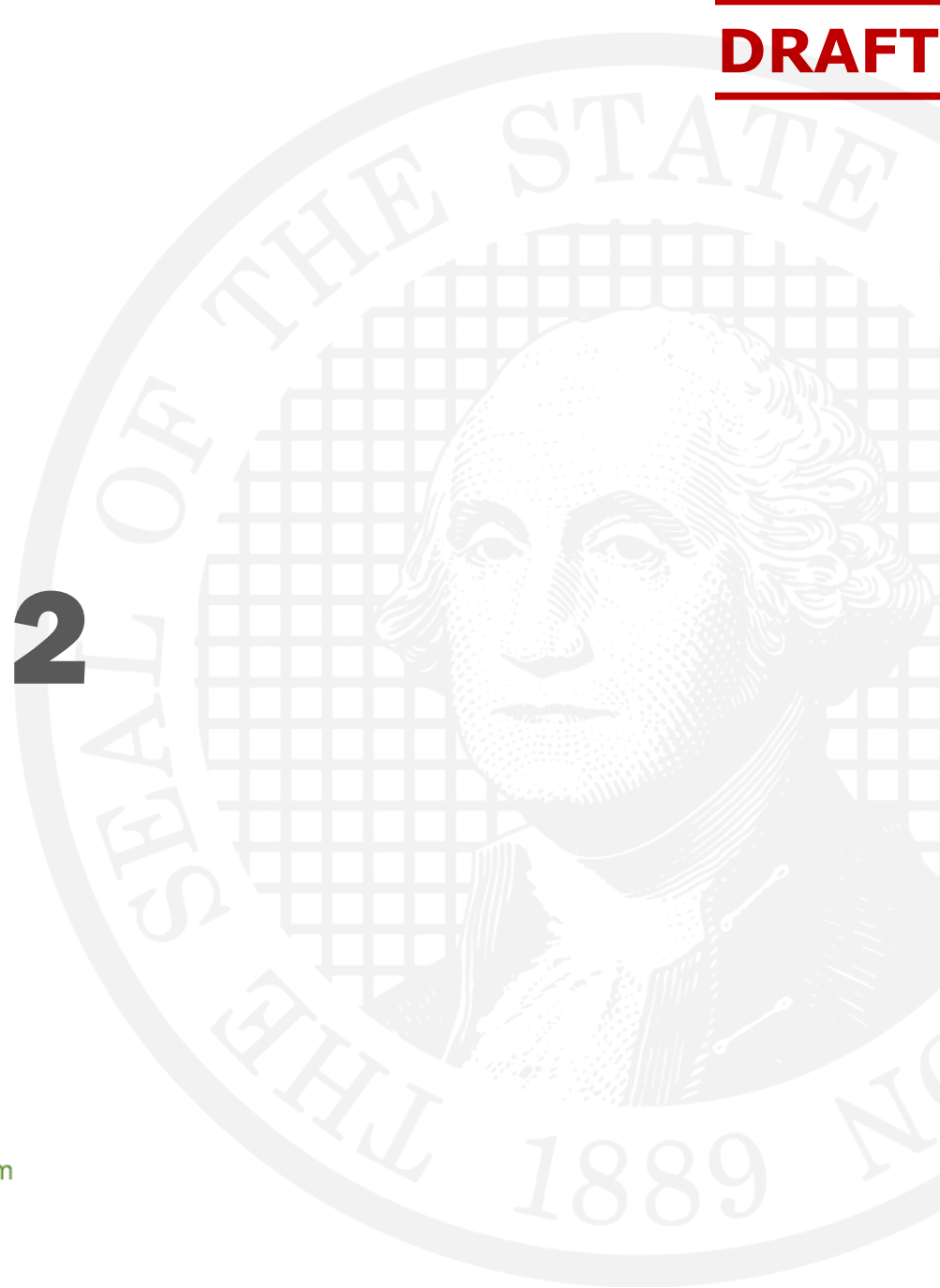- What do you need from OneWa?

Next Steps
- Monthly POC Meetings?
- POC Survey

DRAFT

END: PART 2

One Washington
A Business Transformation Program

OFM 6/24/2020

23

DES-smalls with System Impacts

Department of Services for the Blind*

Lottery Commission, State*

Conservation Commission, State*

Transportation Improvement Board

Traffic Safety Commission*

PART 3: AGENCIES WITH SYSTEM IMPACTS

Near Term OneWa Technology Readiness

In the coming months, the OneWa technology team is focused on providing support to agencies in preparation of ERP system implementation.

Activity		Overview
	Identify interfaces that will need to change	Based on the OneWa Integration Plan, agencies will need to identify all interfaces/connectors that need to change and all non-standard interfaces, so that all interfaces can be changed over by Jan 2021. NOTE: This is for Phase 0 interfaces only.
	Conduct data analysis meetings	Meetings with specific agencies to do a deeper dive analysis review of interfaces with agency readiness data they provided. NOTE: Not all agencies require meetings.
	Configure/change current AFRS interfaces	Move current AFRS interfaces to work with the OneWa data access/integration layer and change to standard interfaces where possible.
	Identify data conversion requirements	For systems that will be replaced, identify what data will need to be converted to the new ERP system and identify the parameters/requirements.