



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

*Insurance Building, P.O. Box 43113 □ Olympia, Washington 98504-3113 □ (360) 902-0555*

August 1, 2023

**TO:** Honorable Christine Rolfes  
Honorable Lynda Wilson  
Senate Ways & Means Committee

Honorable Timm Ormsby  
Honorable Chris Corry  
House Appropriations Committee

Honorable Marko Liias  
Honorable Curtis King  
Senate Transportation Committee

Honorable Jake Fey  
Honorable Andrew Barkis  
House Transportation Committee

**FROM:** David Schumacher  
Director

**SUBJECT: ONE WASHINGTON'S QUARTERLY REPORT TO LEGISLATIVE FISCAL COMMITTEES (APRIL – JUNE 2023)**

I am pleased to submit the quarterly report for the One Washington program. This report focuses on the program's scope, schedule and budget.

We are currently implementing Phase 1A (core financials) of the Workday cloud enterprise resource planning (ERP) system, otherwise known as the Agency Financial Reporting System (AFRS) replacement.

## Project scope

### *Project sprints*

In April, the functional team started a 'sprint cycle' to resolve<sup>1</sup> design items. These improvements include the feedback we received from agency Workday demonstrations<sup>2</sup> (called information sessions) held last quarter. These five sprints will address over 500<sup>3</sup> items related to:

- Supplier accounts
- Intercompany
- Banking and settlements
- Customer accounts

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<sup>1</sup> Resolved status means that to-be diagrams, design documents, configurations, validations and configuration workbook updates have been completed.

<sup>2</sup> Over 600 people were invited and attended sessions that demonstrated Workday business processes used in each model of the Phase 1A implementation.

<sup>3</sup> Item number count is an estimate based on backlog audits and could change/shift over time as new items are added. The total number of items addressed and resolved will be shared at the end of the five-sprint cycle.

- Financial accounting and reporting
- Foundation data model
- Security roles
- Business assets
- Lease accounting
- Allocations
- Projects
- Grants

As of June 30, **we have completed three of the five sprints** (we've completed hundreds of items so far). We scheduled the remaining two sprints to take place in the next quarter. We will include a final summary of this progress in next quarter's report.

### *We started the next step to develop a remediation schedule*

This quarter, the Legacy System Remediation<sup>4</sup> (LSR) team began Pass-3 of the framework to develop a defensible agency system remediation schedule with clearly identified dependencies and milestones.

Our accomplishments include:

- Hosted a Pass-3 kickoff meeting with the 40 remediating agencies to share details and answer agency questions.
- Provided these agencies with a standard template to help them develop their agency remediation timeline.
- Hosted more than 45 one-on-one meetings with agencies that manage 260 impacted systems.
- Developed and launched a dashboard that shows agency system remediation timelines. This helps us better monitor and communicate about agency timelines.

As of June 30, we have received and completed 28 agency remediation schedules. The LSR team is currently reviewing five. We're working on one schedule that needs more information from the agency, and six were not submitted by the June 30 deadline. We are following up to support and monitor agencies' progress.

### *We completed the first integration build*

We completed and demonstrated the first of four integration builds this quarter. We look forward to demonstrating this progress for the chairs and ranking members of the technology and fiscal committees in late July (Section 116(3), Chapter 475, Laws of 2023).

### *We renewed contracts and filled positions*

To continue support for this project, we renewed contracts with the system integrator, the quality assurance vendor and other vendors. We also continue to fill staff vacancies.

## **Project schedule**

Last quarter, we shared that the Executive Steering Committee adopted our revised Phase 1A project, an announcement we shared with state agencies. We continue to share project schedule information each month on our public website. You can find a high-level visual and the full project plan on the [Project Schedule](#) page. (We update these items on the first Monday of each month.)

The project continues to be on track for the July 2025 'go-live' date for Phase 1A implementation.

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<sup>4</sup> Remediation refers to the system modifications necessary to make an agency's computer system/application compatible with Workday, using its associated foundation data model, worktags and values.

## Project budget

### *How we used funding to deliver value*

The attachments outline how we used funding to deliver value for the quarter. These include overview data and a full spending (expenditure) report. Here is a breakdown of the two attached documents:

**Document No. 1** is “*OFM One Washington Budget Report – April-June 2023*” and includes:

- A list of ‘quantifiable deliverables’ that we accomplished, and the expenditures by deliverable by fiscal month.
- A report on how much we charged and paid to each full-time contractor by each fiscal month.
- A report that identifies each state agency that applied for and received technology pool resources, the staffing equivalent we used, and the cost agencies spent each fiscal month compared to the budget spending plan.
- A report on the budget spending plan by fiscal month and phase, while also being compared to our actual spending by fiscal month.

**Document No. 2** is “*OFM One Washington Performance Metrics – April-June 2023.*” It provides financial performance metrics on 10 state agencies that include monthly performance data.

For more information, please contact:

Cristie Fredrickson | *One Washington Executive Sponsor*  
[cristie.fredrickson@ofm.wa.gov](mailto:cristie.fredrickson@ofm.wa.gov)  
360-790-9602

cc: Susan Howson, Staff Coordinator, Senate Ways & Means Committee  
Dave Johnson, Staff Coordinator, House Appropriations Committee  
Kelly Simpson, Staff Coordinator, Senate Transportation Committee  
Mark Matteson, Staff Coordinator, House Transportation Committee  
Michael Mann, Administrator, Legislative Evaluation and Accountability Program Committee  
Bill Kehoe, Chief Information Officer, Consolidated Technology Services  
Tara Smith, Director, Department of Enterprise Services  
Roger Millar, Secretary, WSDOT  
Amy Scarton, Deputy Secretary, WSDOT  
Doug Vaughn, Chief Financial Officer, WSDOT  
Emily Beck, Deputy Director, OFM  
Cristie Fredrickson, Executive Sponsor, One Washington Program, OFM

OFM One Washington Budget Report – April-June 2023

The proviso language in the enacted 2021-23 budget directs One Washington to report on specific measures regarding program spending.

1. A list of quantifiable deliverables accomplished and the expenditures by deliverable by fiscal month.

During quarter 8, we paid Deloitte for the integration designs and development, Limited PO to Pay design and confirmation session.

Quarter Paid		Q8			
Sum of Amount Paid		Fiscal Month Paid			
Contractor Name		22	23	24	Grand Total
<b>Bluecrane</b>					
Monthly QA Status Reports			\$ 115,725		\$ 115,725
<b>Bluecrane Total</b>			<b>\$ 115,725</b>		<b>\$ 115,725</b>
<b>Deloitte (SI)</b>					
Integration Designs - Contractor	\$ 921,613				\$ 921,613
Integrations Developed and Unit Test - Contractor				\$ 616,693	\$ 616,693
Project Artifact Updates - Iteration 2	\$ 140,015				\$ 140,015
Project Artifact Updates - Iteration 4			\$ 116,076		\$ 116,076
Project Artifact Updates - Iteration 5			\$ 117,555		\$ 117,555
Project Artifact Updates - Iteration 6				\$ 116,108	\$ 116,108
Project Artifact Updates - Iteration 7				\$ 116,108	\$ 116,108
Limited PO to Pay-Design Documentation Review			\$ 542,856		\$ 542,856
Limited PO to Pay-Confirmation Session				\$ 427,679	\$ 427,679
Sub-workstream Lead Onboard & Preparation (Testing, Security & Training Report)				\$ 279,874	\$ 279,874
Required Holdback	\$ 302,716	\$ 165,686	\$ 389,681		\$ 858,083
<b>Deloitte (SI) Total</b>	<b>\$ 1,364,344</b>	<b>\$ 942,173</b>	<b>\$ 1,946,143</b>		<b>\$ 4,252,660</b>
<b>ISG-Local</b>					
PMO Support	\$ 97,643	\$ 103,739	\$ 96,421		\$ 297,803
Business Analysis Services	\$ 25,080	\$ 29,040	\$ 27,225		\$ 81,345
<b>ISG-Local Total</b>	<b>\$ 122,723</b>	<b>\$ 132,779</b>	<b>\$ 123,646</b>		<b>\$ 379,148</b>
<b>LB3</b>					
Legal Services			\$ 22,032		\$ 22,032
<b>LB3 Total</b>			<b>\$ 22,032</b>		<b>\$ 22,032</b>
<b>Plante Moran</b>					
ERP Consulting Services/K3607	\$ 90,800	\$ 181,600	\$ 90,800		\$ 363,200
LSR Scheduler/K3924	\$ 30,000	\$ 60,000	\$ 30,000		\$ 120,000
<b>Plante Moran Total</b>	<b>\$ 120,800</b>	<b>\$ 241,600</b>	<b>\$ 120,800</b>		<b>\$ 483,200</b>
<b>SBCTC</b>					
Executive Program Director			\$ 70,632		\$ 70,632
<b>SBCTC Total</b>			<b>\$ 70,632</b>		<b>\$ 70,632</b>
<b>Workday</b>					
Delivery Assurance		\$ 14,562			\$ 14,562
Platinum Success		\$ 43,750			\$ 43,750
Training			\$ 142,155		\$ 142,155
<b>Workday Total</b>		<b>\$ 58,312</b>	<b>\$ 142,155</b>		<b>\$ 200,467</b>
<b>Prosci</b>					
Change Management Advisory Services		\$ 60,125	\$ 162,650		\$ 222,775
Sponsor Briefing Course			\$ 13,816		\$ 13,816
<b>Prosci Total</b>		<b>\$ 60,125</b>	<b>\$ 176,466</b>		<b>\$ 236,591</b>
<b>Grand Total</b>	<b>\$ 1,607,867</b>	<b>\$ 1,550,714</b>	<b>\$ 2,601,874</b>		<b>\$ 5,760,455</b>

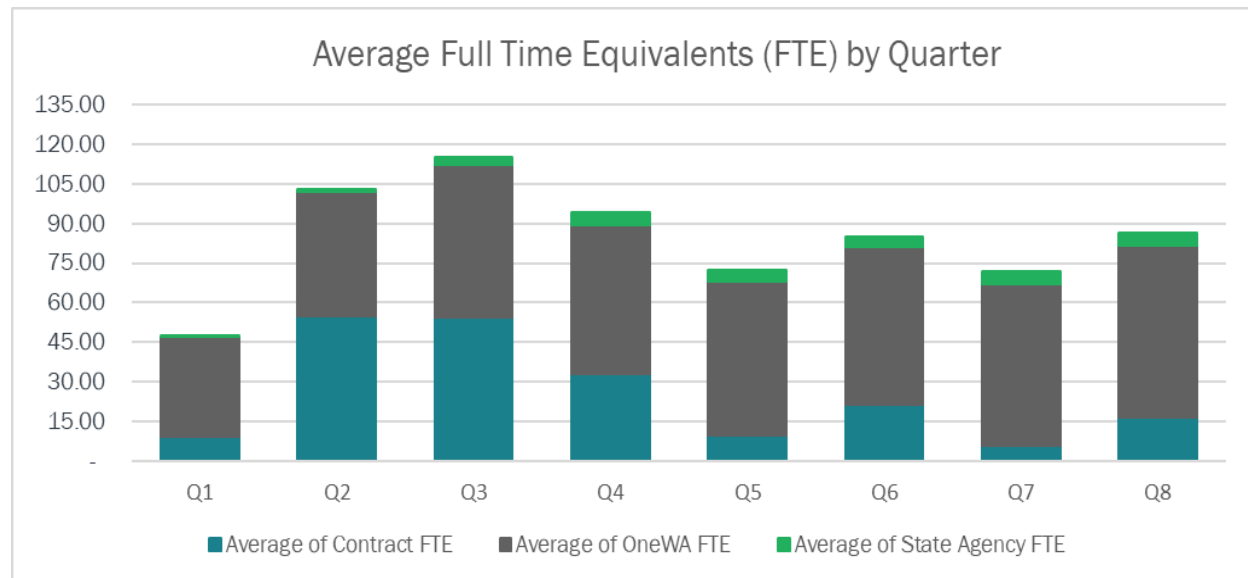
OFM One Washington Budget Report – April-June 2023

2. A report on the contract full-time equivalent charged and paid to each vendor by fiscal month.

Quarter Paid Q8

Actual Monthly FTE Equivalent	FM Paid			
Contractor Name	22	23	24	Grand Total
Bluecrane		4.59	5.23	9.82
Deloitte (SI)	37.08	25.61	52.90	115.59
ISG-Local	3.89	4.21	3.93	12.02
LB3			0.27	0.27
Plante Moran	3.94	7.88	3.94	15.76
Prosci		1.10	3.23	4.33
SBCTC			1.87	1.87
Workday		-	-	-
<b>Grand Total</b>	<b>44.91</b>	<b>43.40</b>	<b>71.36</b>	<b>159.66</b>

The table above shows the full-time equivalents for contracts based on payments made during quarter 8.



	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8
Average Of State Agency FTE	0.10	1.05	3.08	4.78	4.17	3.79	4.92	4.56
Average of OneWA FTE	37.90	47.24	58.03	56.51	58.44	59.53	60.85	65.21
Average of Contract FTE	9.04	54.88	54.22	33.12	9.74	21.50	5.96	16.52
<b>Total Average</b>	<b>47.04</b>	<b>103.18</b>	<b>115.33</b>	<b>94.42</b>	<b>72.36</b>	<b>84.82</b>	<b>71.72</b>	<b>86.29</b>

The chart and table above show the average FTE by quarter for state agencies, One Washington program staff and contact FTE.

OFM One Washington Budget Report – April-June 2023

3. A report identifying each state agency that applied for and received organizational change management pool resources, the staffing equivalent used, and the cost by fiscal month by agency compared to budget spending plan.

The One Washington program did not distribute any of organizational change management pool resources to state agencies like we did with the Technology Pool. This funding has been managed within the One Washington program to support all state agencies with their transition to Workday. Below is a table and chart showing how the funding was used to support state agencies through the transition to Workday.

Expenditure Authority Index	1A0
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Tech Budget Section	Allotment	Expenditures	Variance
1. State Employee Staffing Costs	2,441,260	2,357,517	83,743
3. Contracted Professional Services	4,654,494	4,329,520	324,974
4. Software Licenses and Subscriptions	6,338	3,797	2,541
5. Hardware and Equipment	7,575	3,523	4,052
<b>Grand Total</b>	<b>7,109,667</b>	<b>6,694,357</b>	<b>415,311</b>

Total Funded	7,756,000
Total Allocated through Gated Funding	7,109,667
Remaining funding in holdback	646,333

4. A report identifying each state agency that applied for and received technology pool resources, the staffing equivalent used, and the cost by fiscal month by agency compared to the budget spending plan.

Agency	2021-23 Allotment	2021-23 Biennium To Date			FY23 Actual						FY22 Actual
		Expenditures to Date	Remaining Balance	FTE Used	Jun'23 Actual Spend	May'23 Actual Spend	Apr'23 Actual Spend	Quarter 7 Actual Spend	Quarter 6 Actual Spend	Quarter 5 Actual Spend	Jul'21-Jun'22 Actual Spend
State Board for Community and Technical Colleges	163,170	14,310	148,860	0.04	-	-	-	-	123	618	13,569
Consolidated Technology Services	113,000	7,119	105,881	0.02	-	-	113	2,034	339	113	4,520
Dept of Children, Youth, and Families	495,572	-	495,572	-	-	-	-	-	-	-	-
Dept of Enterprise Services	261,055	155,850	105,205	0.23	4,860	3,960	2,700	3,780	-	-	145,410
Dept of Fish and Wildlife	131,563	96,328	35,235	0.29	-	-	-	-	-	-	96,328
Dept of Health	185,272	13,477	171,795	0.06	-	-	-	-	6,905	-	6,572
Dept of Licensing	5,616,712	52,073	5,564,639	0.15	2,035	7,143	-	66	2,036	9,391	33,437
Dept of Revenue	1,007,268	234,265	773,003	0.54	-	8,413	14,520	34,792	13,189	13,385	149,966
Dept of Transportation	3,955,949	3,106,605	849,344	6.85	-	170,715	169,445	526,545	506,405	504,690	1,228,805
Dept of Services for the Blind	322,865	220,931	101,934	0.30	15,540	11,100	22,200	89,674	17,915	8,762	71,280
Dept of Social and Health Services	500,112	150,145	349,967	0.29	-	-	7,108	14,217	11,058	33,173	84,589
Dept of Ecology	527,444	332,605	194,839	0.98	-	22,913	20,312	62,723	55,842	58,221	112,594
Eastern WA University	75,000	-	75,000	-	-	-	-	-	-	-	-
Employment Security Department	25,827	-	25,827	-	-	-	-	-	-	-	-
Health Care Authority	5,084,000	84,040	4,999,960	0.15	-	-	-	-	19,910	27,720	36,410
Dept of Labor and Industries	194,114	10,712	183,402	0.07	-	-	-	-	-	-	10,712
The Evergreen State College	40,619	9,788	30,830	0.04	-	611	-	367	305	-	8,505
Washington State Patrol	60,329	4,093	56,235	0.02	-	-	-	-	-	-	4,093
<b>Total</b>	<b>18,759,871</b>	<b>4,492,343</b>	<b>14,267,528</b>	<b>10.02</b>	<b>22,435</b>	<b>224,855</b>	<b>236,398</b>	<b>734,198</b>	<b>634,027</b>	<b>656,073</b>	<b>2,006,792</b>

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- The 2021-23 Technology Pool provided \$18.8 million in allocations to 18 agencies for remediation.
- Through June 2023, 15 agencies have spent \$4.5 million of the \$18.8 million. Initial projections indicated the Technology Pool allocations would be fully utilized in fiscal year 2022. Due to changes in the schedule, agencies are projecting to spend a total of \$8.1 million by the end of the biennium (June 2023).
- Eight (8) of the 18 agencies used Tech Pool resources in quarter 7.
- Three (3) agencies have not used any Tech Pool resources:
  1. Department of Children, Youth & Families (DCYF)
  2. Eastern Washington University (EWU)
  3. Employment Security Department (ESD)

5. *A report on budget spending plan by fiscal month by phase compared to actual spending by fiscal month.*

- During quarter 8, we paid Deloitte for the integration designs and development, Limited PO to Pay design and confirmation session.
- The Workday quarterly subscription payment for April – June was paid in March instead of April so expenditures were over projections for quarter 7 and under projections in quarter 8.

Quarter 8 Actuals	Projections	FM22 - Apr 2023	FM23 - May 2023	FM24 - Jun 2023	Total Expenditures	Variance	% of Variance
<b>Cost Category</b>							
1. State Employee Staffing Costs	2,910,168	755,825	995,228	1,129,394	2,880,447	29,721	1%
2. Non-State Employee Staffing Costs	-	-	-	-	-	-	0%
3. Contracted Professional Services	6,412,520	1,979,237	1,096,740	2,066,149	5,142,126	1,270,394	20%
4. Software Licenses and Subscriptions	1,710,574	(43,356)	61,694	347	18,685	1,691,889	99%
5. Hardware and Equipment	-	2,802	37,838	18,883	59,523	(59,523)	0%
6. Other	396,000	115,561	115,593	115,511	346,665	49,335	12%
	<b>11,429,262</b>	<b>2,810,069</b>	<b>2,307,094</b>	<b>3,330,284</b>	<b>8,447,446</b>	<b>2,981,816</b>	<b>26%</b>

Quarter 8 Projections	FM22 - Apr 2023	FM23 - May 2023	FM24 - Jun 2023	Total Projections
<b>Cost Category</b>				
1. State Employee Staffing Costs	944,199	952,085	1,013,884	2,910,168
2. Non-State Employee Staffing Costs	-	-	-	-
3. Contracted Professional Services	2,395,536	1,509,770	2,507,214	6,412,520
4. Software Licenses and Subscriptions	1,676,950	16,812	16,812	1,710,574
5. Hardware and Equipment	-	-	-	-
6. Other	132,000	132,000	132,000	396,000
	<b>5,148,685</b>	<b>2,610,667</b>	<b>3,669,910</b>	<b>11,429,262</b>

Quarter 7 Actuals	Projections	FM19 - Jan 2023	FM20 - Feb 2023	FM21 - Mar 2023	Total Expenditures	Variance	% of Variance
<b>Cost Category</b>							
1. State Employee Staffing Costs	2,280,647	683,174	786,569	776,015	2,245,757	34,890	2%
2. Non-State Employee Staffing Costs	429,303	-	-	-	-	429,303	100%
3. Contracted Professional Services	1,781,060	1,862,617	388,076	422,279	2,672,972	(891,912)	-50%
4. Software Licenses and Subscriptions	1,710,574	1,616,627	-	1,683,516	3,300,142	(1,589,568)	-93%
5. Hardware and Equipment	-	5,250	2,794	3,352	11,397	(11,397)	0%
6. Other	397,522	132,000	132,010	(25,347)	238,663	158,859	40%
	<b>6,599,106</b>	<b>4,299,668</b>	<b>1,309,449</b>	<b>2,859,814</b>	<b>8,468,932</b>	<b>(1,869,826)</b>	<b>-28%</b>

More details are available in the supporting workbooks which are available upon request.



**One Washington's Quarterly Report to Legislative Fiscal Committees  
April - June 2023  
Financial Performance Metrics on 10 State Agencies that  
Include Monthly Performance Data**

The proviso language in the enacted 2021-23 biennial budget stipulates that One Washington provide, “a report on current financial office performance metrics that at least 10 state agencies use, to include the monthly performance data, starting July 1, 2021.” As noted in the first quarterly report, One Washington staff canvassed possible data sources to determine applicable financial performance measures collected consistently and reliably to meet the reporting requirement. Our due diligence included:

- A query of select state agencies to determine whether specific financial performance metrics are currently obtained or the degree of difficulty in obtaining such metrics.
- An assessment of whether Results Washington through the Results through Performance Management (RPM) system could provide consistently reported financial metrics.
- An assessment of whether Deloitte or Workday could obtain and provide current metric data.
- Analysis of other systems to determine whether meaningful data could be extracted.

Repeated attempts to find an appropriate set of metrics that are collected monthly did not produce the desired results. Regrettably, the current systems are not designed to create and/or report financial performance metrics. Although some agencies have accomplished internal reporting, they have accomplished it through creative usage of data elements within AFRS. Hence, agency reporting tends to be manually harvested and custom-tailored for internal purposes.

The end result is that One Washington will continue to report on the best available system metrics that have a relationship to financial performance.

**One Washington metrics regarding system outages, help desk requests and prompt payments**

The data depicted below is extracted from system performance information and from prompt payment data reported from 10 agencies.

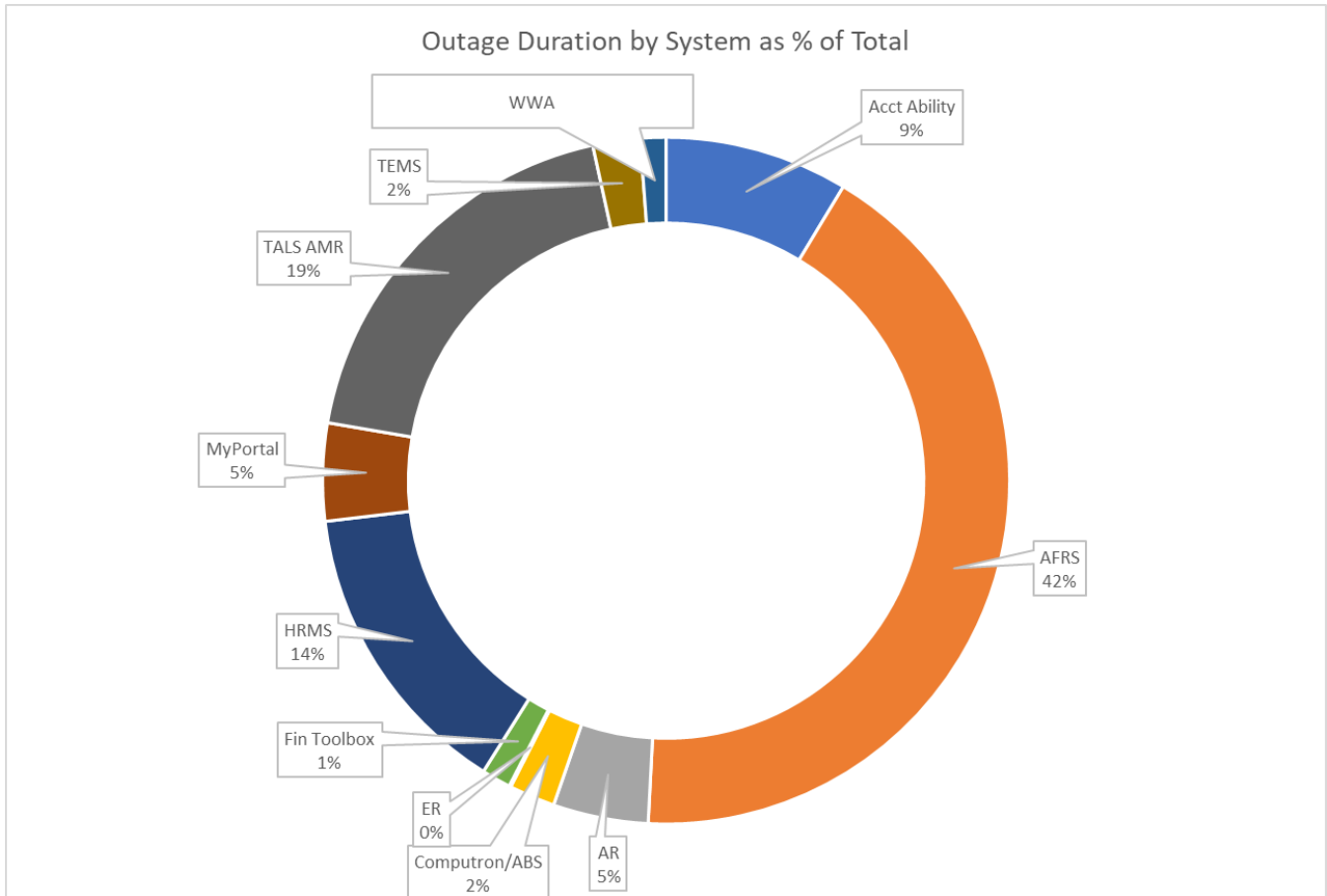




**One Washington's Quarterly Report to Legislative Fiscal Committees**  
**April - June 2023**  
**Financial Performance Metrics on 10 State Agencies that**  
**Include Monthly Performance Data**

**Metric 2:** Outage Duration Overview – percentage by system

This chart is another view of the outage duration overview data, showing percentage of total outage hours by system. Data for this chart spans July 2021 through June 2023.



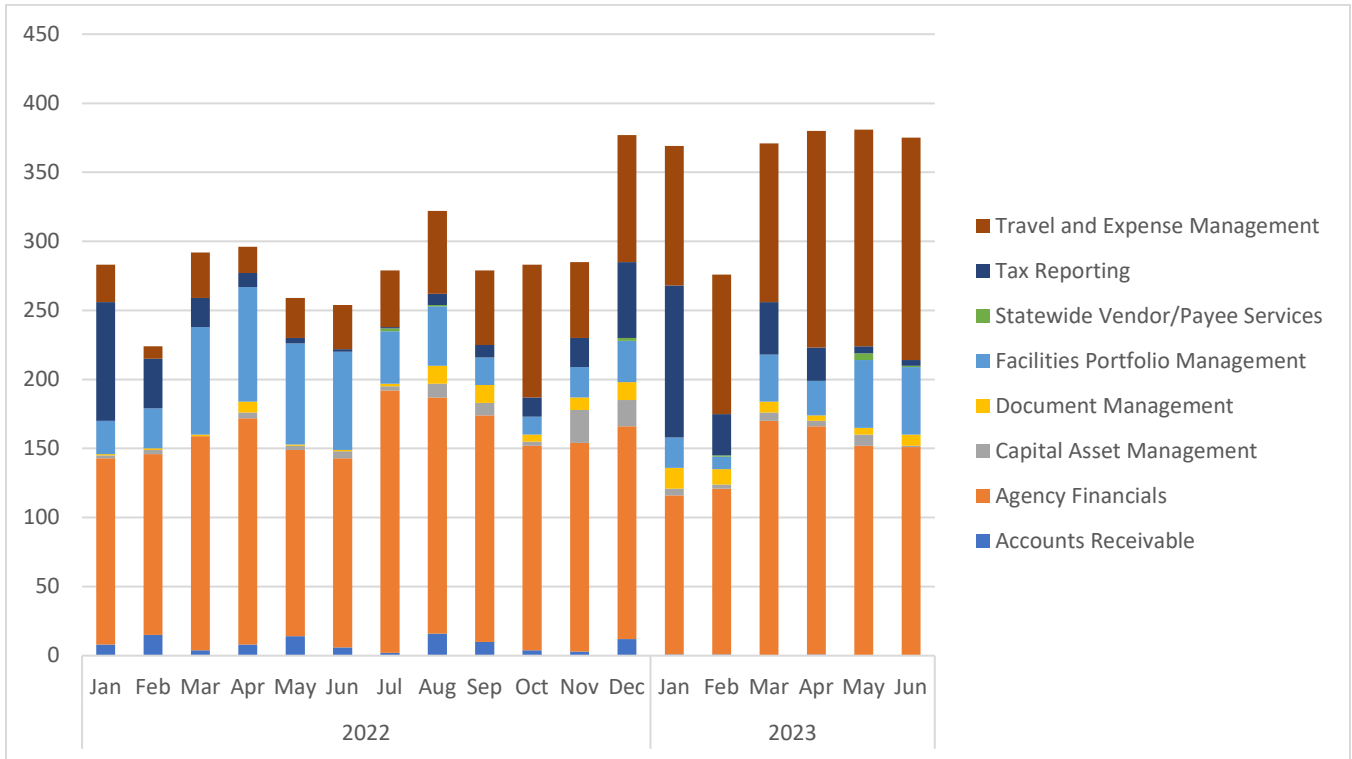


**One Washington's Quarterly Report to Legislative Fiscal Committees**  
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**Financial Performance Metrics on 10 State Agencies that**  
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**Metric 3:** Help Desk Requests for Financial Systems

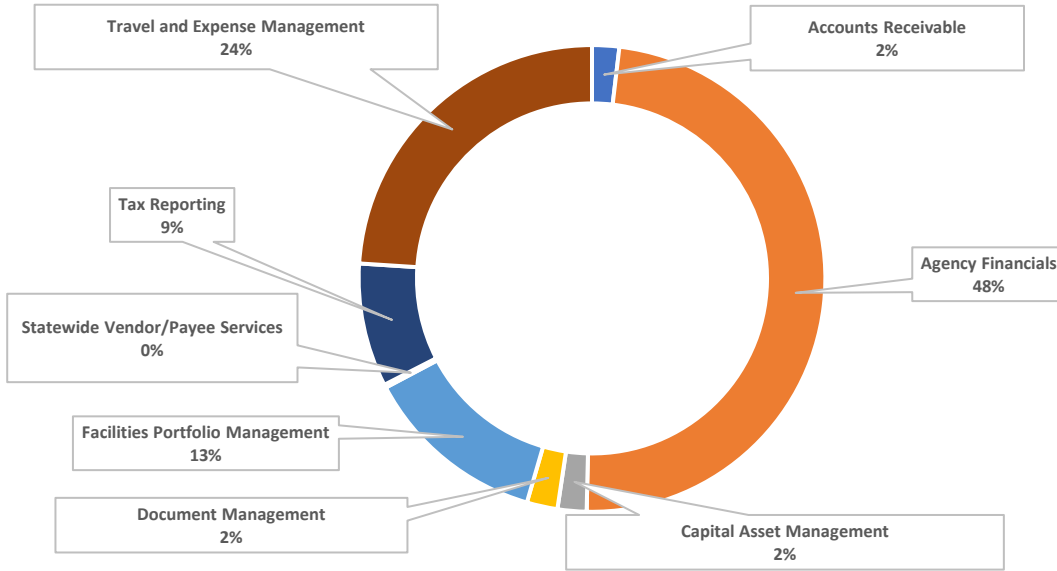
The following are graphs showing the number of help desk support requests for each OFM financial system each month, then by system as a percentage, and severity as a percentage. Report includes data from January 2022 through June 2023.

**Support Requests by System by Month**



**One Washington's Quarterly Report to Legislative Fiscal Committees  
April - June 2023  
Financial Performance Metrics on 10 State Agencies that  
Include Monthly Performance Data**

**Support Requests per System as %**



**Support Request Severity by %**

Critical	High	Moderate	Low
0.3%	1.6%	97.9%	0.2%

**One Washington's Quarterly Report to Legislative Fiscal Committees  
April - June 2023  
Financial Performance Metrics on 10 State Agencies that  
Include Monthly Performance Data**

**Metric 4:** Average Prompt Payment Time for 11 Agencies

Data was requested from at least ten state agencies related to the promptness of payments. This graph shows the average number of days between the later of invoice received or goods/service received, and payment issue date. The graph shown below depicts data from July 2021 through June 2023.

Agency Data
Office of Financial Management
Healthcare Authority
Dept. Of Financial Institutions
Dept of Social Health and Services
Dept of Natural Resources
Dept of Health
Dept of Fish and Wildlife
Dept of Financial Inst.
Dept of Corrections
Consolidated Technology Services
Administrative Office of the Courts

