August 25, 2020

One Washington Agency POC Meeting | August 2020

Outline

Topic	Description
Introduction / Agenda	Welcoming Remarks and Agenda
Program Update	• Brief update on what has happened since last POC Meeting • ERP 101 & Overview of future state functionality
Spotlight: HR & Payroll	• Highlight HR & Payroll Readiness Activities • Preview of Phase 2 HR & Payroll capabilities
Work Thread Updates – Technology Update	• 30/60/90 Day Lookahead
Work Thread Updates – People/OCM	• DRS Deep Dive Spotlight • AST Implementation Activities • Foundational Agency Readiness Activities
Closing Remarks	• Q & A • Next Steps

PROGRAM UPDATE

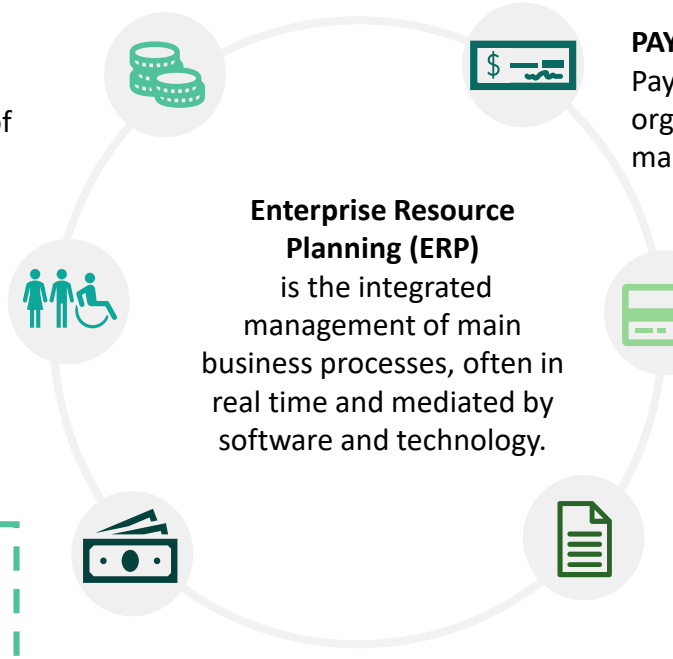
Program Update: ERP 101

Enterprise Resource Planning (ERP) is a set of common business practices and a software system that implements core business practices across an organization. A complete ERP system combines business functions (finance, procurement, budget, payroll, and HR) across an organization's main resources – its people, money, information and assets – and provides decision makers with real-time enterprise information.

BUDGETING
Includes processes to prepare the budget and manage the execution of the budget.

PAYROLL
Paying employees; allows for organization of payroll to be managed in a structured manner.

HUMAN RESOURCES
Used to track different employee and talent management functions such as recruitment, hiring, and performance management.



PROCUREMENT
Manages purchase-to-pay, supplier and vendor management, p-cards, and punch out catalogs.

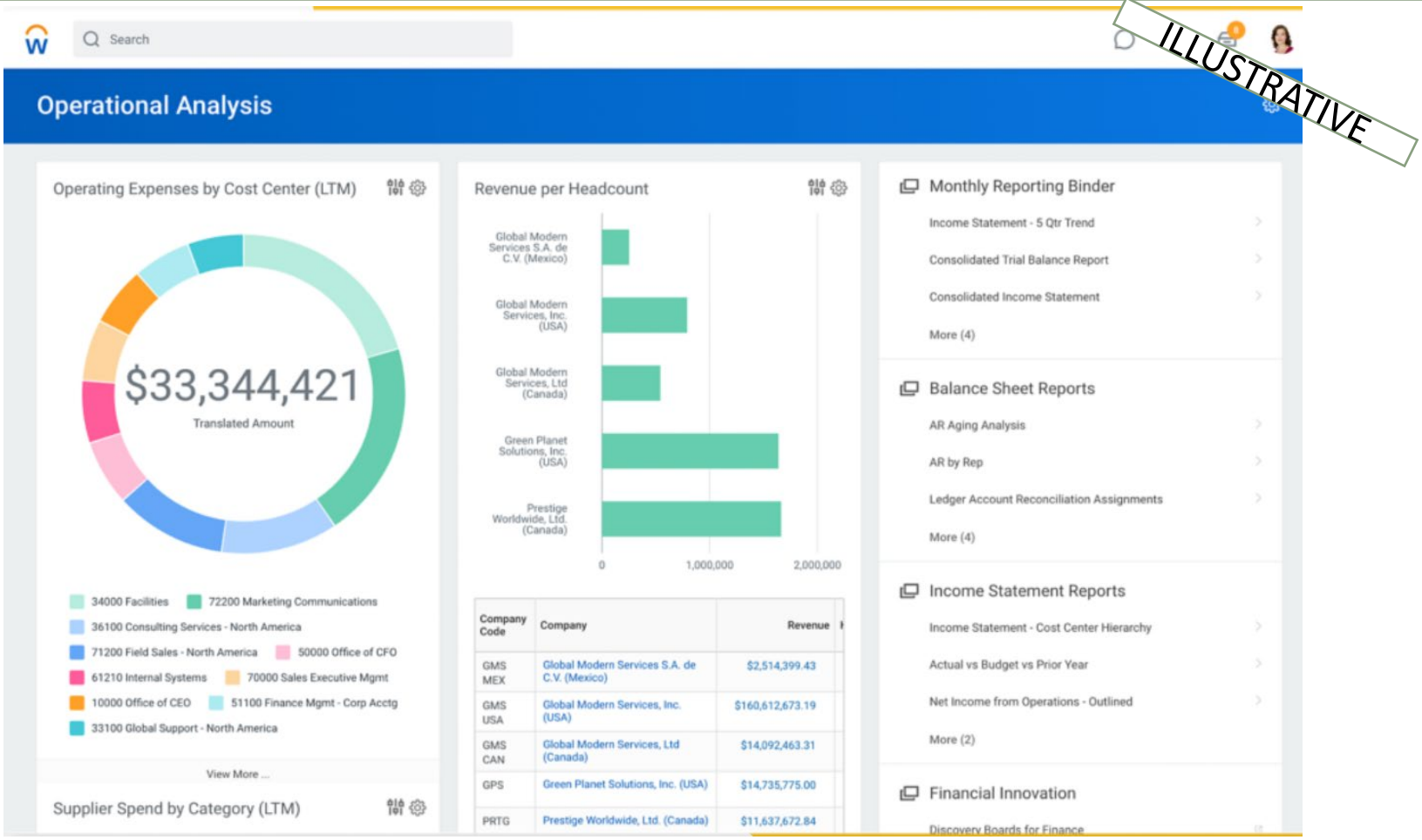
FINANCE
Managing gov't funds through the planning, monitoring, and governing an entity's financial resources.

CONTRACT MANAGEMENT
Manages contracts from vendors and partners.

Replacing and streamlining outdated finance systems will be the focal point of the first phase of the OneWa ERP transformation.

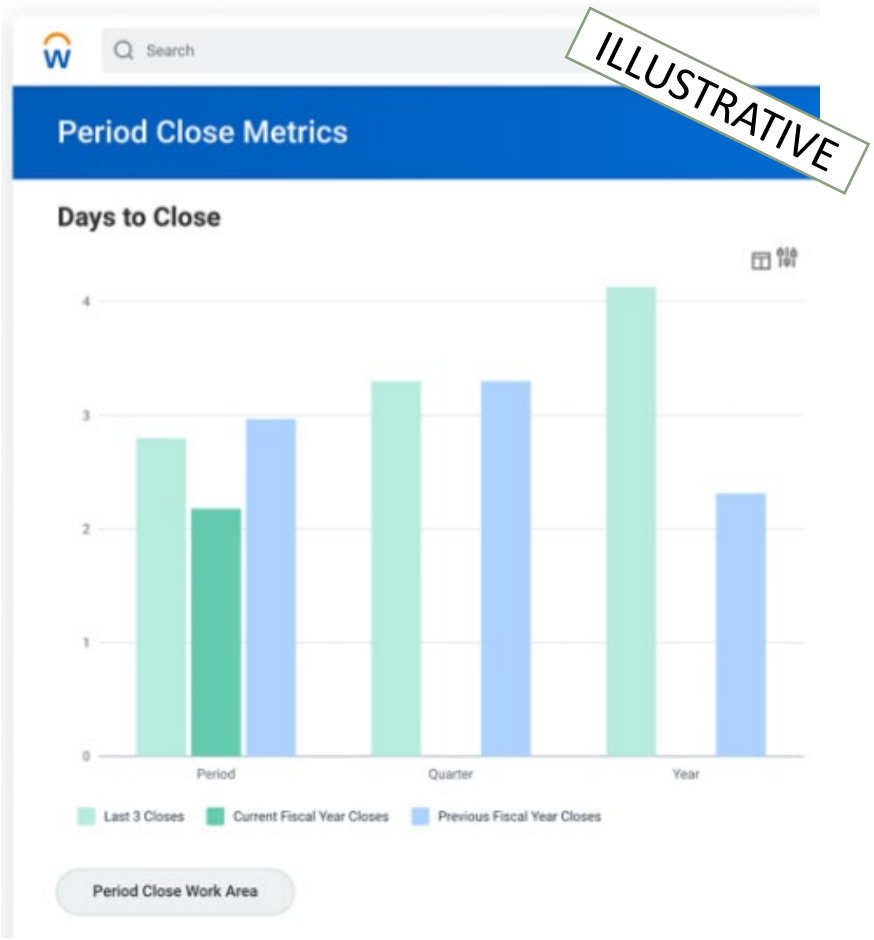
Workday Overview

Below is an illustrative example of what future dashboards will look like in Workday. This type of data visualization will make it easier for state leadership to see how money is being spent by agency, project, and location.



Addressing our Pain Points (Period End Close example)

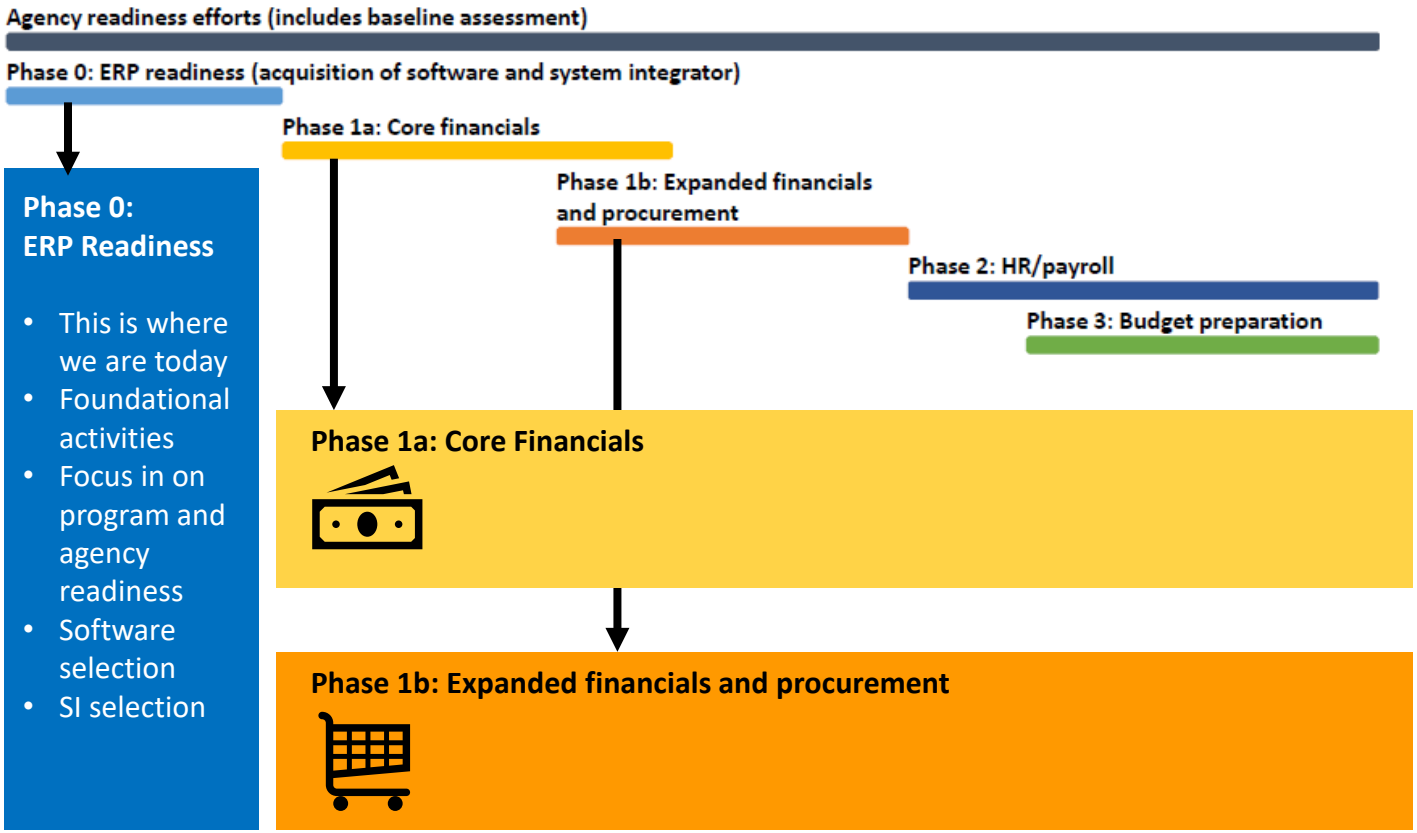
Workday's financial management suite automates the reconciliation, consolidation, reporting, and close process so everything is done accurately in one system.



- View real-time financial results any time during the period
- Automate tasks, route approvals, and send reports all in one system
- Account reconciliation and certification automatically embedded
- Significant reduction in time to close activities allowing for more data analysis

Program Update

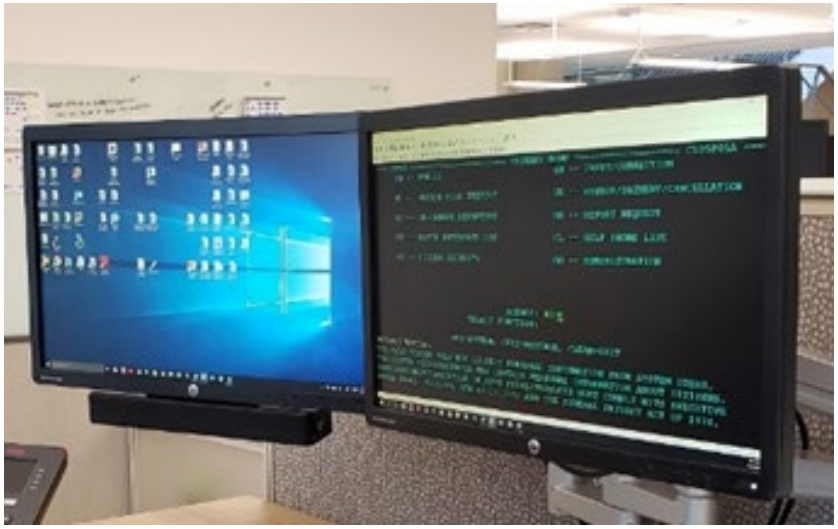
The Workday implementation will happen in phases; each phase will include new, expanded functionality. Today's presentation will highlight what to expect in Phase 1a and 1b and will also include a sneak peak of Phase 2.



Program Update

Phase 1a: Core Financials- There are two major objectives in Phase 1a: AFRS Replacement and Core Financials implemented in Workday

Say goodbye to the AFRS "Green Screen"



Phase 1a Workday Functionality

- **General Ledger**
- **Accounts Receivable**
- **Accounts Payable & Invoicing**
- **Fixed Assets**
- **Medicaid & Standard Cost Allocation**
- **Vendor/Customer Management**
- **Interagency Billing**

Phase 1a implementation will focus on migrating core finance activities from AFRS into Workday. This will be the first step towards moving finance, procurement, HR, payroll, and budget business processes to Workday, the state's new Software-as-a-Service (SaaS) ERP system.

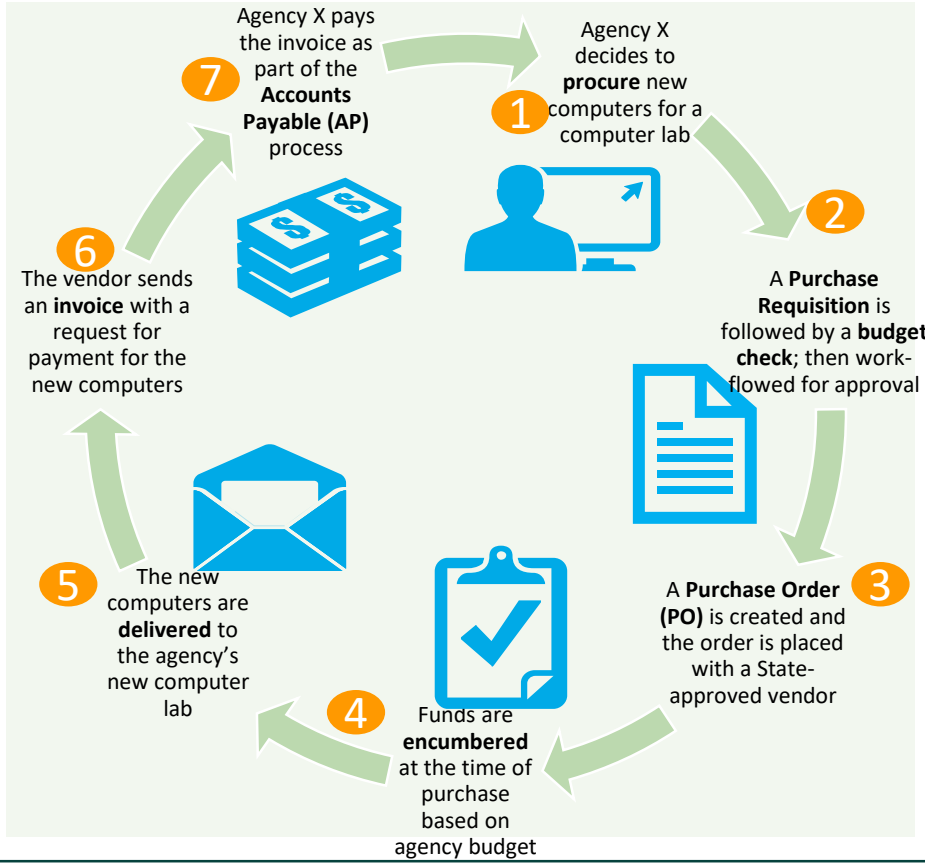
Program Update

Phase 1b: Expanded financials and procurement: This phase expands on core financials and includes the purchase-to-pay (P2P) lifecycle.

Phase 1b Workday Functionality

- **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**

Simplified Example: "Purchase to Pay"



SPOTLIGHT: HR & PAYROLL

Spotlight: HR & Payroll

Human Resources (HR) and Payroll are an important part of the OneWa Solution and will be the focus of Phase 2 implementation!

- Hi! We're **Scott Nicholson** and **Steve Nielson** and are your OneWa HR & Payroll Business owners
- While HR and Payroll will not be rolled out until **Phase 2**, we wanted to let you know about our plans for the future.
- We are excited about the selection of **Workday** and will be sharing with you today a preview of some of the exciting new features to come.

Spotlight: HR & Payroll (continued)

One of the key program activities in Phase 1a will be the creation of a Foundational Data Model (FDM) in Workday. We will need this structure in place before we can build out HR and Payroll capabilities in Phase 2. Collaboration is needed across all phases!

Addressing our Pain Points

The new Workday ERP solution will address the following **Pain Points** for the state:

Human Resources

- Employee data **is not standardized** or all in one place
- HRMS is **not intuitive** and **hard to use**
- **Duplication of data** and **manual hand-offs**

Payroll

- **Limited integration** between HRMS and AFRS
- **Difficult** and **time consuming** to reconcile retroactive payroll discrepancies
- No **standard account codes** currently exist

Phase 2 Functionality – HR & Payroll

- Recruitment
- Employee set up/maintenance
- Benefits Administration
- 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

Spotlight: HR & Payroll (continued)

In preparation of Phase 2, our teams are working diligently to prepare for implementation. Below are a few highlights.

Participating in OneWa planning discussions about the future state of the new ERP system.

Assessing current state HR and Payroll pain points and thinking about ideas for improvement.

Providing input into the software selection process and evaluation of the new systems integrator.

Working across process areas to promote end-to-end integration of the new solution.

TECHNOLOGY UPDATE

Technology Update – Near Term

Completed Activities

- 8/1 Agency System Inventories*
- 8/15 Budget Exception Requests Due
- 8/21 Update Technical Strategy Documents with Selected Software

Timeframe	Task	Date	Agency Action?
30 days	Cybersecurity Assessment & Remediation	9/11	
	Solution Architecture Document Published	9/11	
	Technical Implementation Guidance Published	9/11	
	Agency System Impact Analysis	9/25	✓
	Outbound transaction standard interface publication available	9/30	
	Reporting Business Information Collection (Reporting types, software, needs, etc.)	9/30	✓
	Inbound AFRS transaction standard interface for SFT agencies	9/30	✓
60 days	Present Data Conversion and Storage to BTB	10/28	
90 days	Assess SI Approach	11/3	
	Validate Integration Plan with Software Integrator	11/27	

Focus Areas:

- Data conversion for agency systems that will be replaced during Phase 1A (Core Financials/July ’22)
- Agencies will continue to update their Readiness Inventory (systems and data)

*21 agencies have yet to validate their system inventories. Please contact OneWa Mailbox (Subject Line: “Tech Talk”) for assistance.

Technology Update – Long Term

The following Agency and Program tasks are activities that will need to be completed in the long-term (> 90 days).

Agency Tasks	Target date
All 26 identified agencies move to AFRS outbound interface server (AFRS Table Reference data)	12/31/20
All 26 identified agencies move to new inbound AFRS standard transaction interface	12/31/20 – 03/01/21
All 26 identified agencies subscribe to outbound standard transaction interface	12/31/20 – 03/01/21

Program Tasks	Target date
Integration platform and staffing readiness complete	01/01/2021
Complex integrations for MQ and third-party system interfaces	TBD (In Progress)

OCM UPDATE

DRS Deep Dive Spotlight

On August 4, OneWa conducted a "Deep Dive" Meeting with DRS to pilot how we can discuss readiness topics with high impact agencies.

Key Deep Dive Topic Areas include:

Technology Readiness - Review of systems and interfaces, connections to integration layer, and upcoming data conversion requirements.

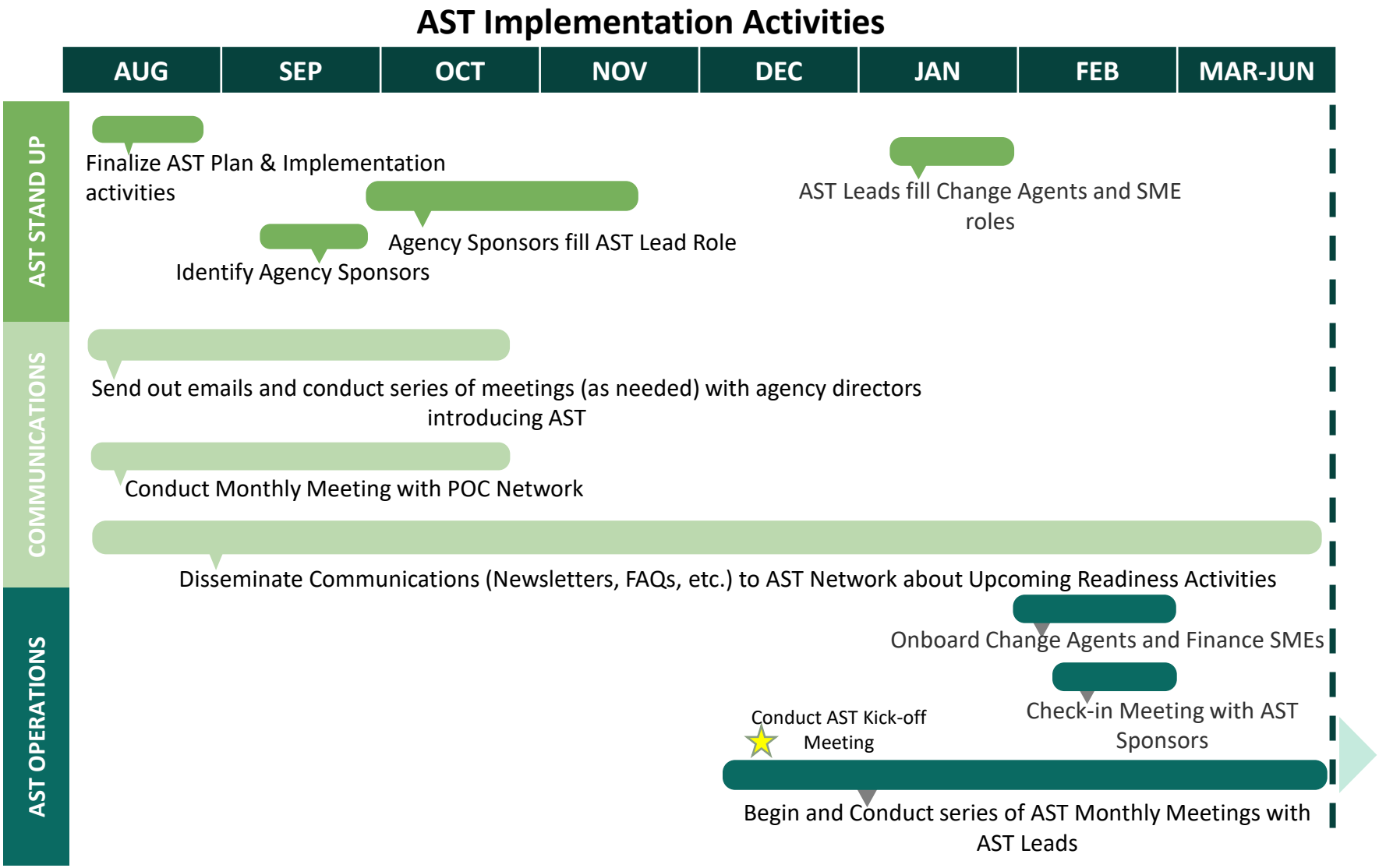
Finance Process Readiness - Discussion of new Chart of Accounts model, AFRS index code cleanup, and current state finance process maturity.

People Readiness – Discussion on new Agency Support Team (AST) structure and upcoming OCM activities.

Improvement Ideas

- Shorten the meeting, condense certain topics
- Find ways to engage more with agency participants
- Send read-ahead with baseline readiness survey results & program overview
- Get agency's reaction/confirmation of readiness scores

AST Implementation Activities Jul 2020 – Feb 2021



Foundational Agency Readiness Activities

The schedule below summarizes key readiness activities all agencies should be doing to prepare for implementation.

AUG		SEP		OCT	
Readiness Activities	**Description**	**Readiness Activities**	**Description**	**Readiness Activities**	**Description**
Submit budget request by 8/15	Agencies identify IT support needed for OneWa				
Stakeholder Communications: 1) Agency Staff 2) Finance Staff	Communicate with agency staff about the reasons and benefits of OneWa in simple language	Read/share newsletter, talking point, FAQs, fact sheets, one pagers, etc.	Communicate with agency staff about the reasons and benefits of OneWa in simple language	Read/share newsletter, talking point, FAQs, fact sheets, one pagers, etc.	Communicate with agency staff about the reasons and benefits of OneWa in simple language
Participate in Agency Support Team (AST) Planning activities	Agencies to receive information on establishing AST resources in their agency	AST Planning	Participate in AST planning activities (meetings, communications, etc.)	AST Planning	Participate in AST planning activities (meetings, communications, etc.)
Clean up COA index codes (79 select agencies)	Review COA indices in use and remove duplicates.	Clean up COA index codes (79 select agencies)	Review COA indices in use and remove duplicates.	Clean up COA index codes (79 select agencies)	Review COA indices in use and remove duplicates.
Review and validate data interfaces and integrations	Helps agencies plan for system impacted by new ERP system	Configure/ change interfaces to connect to integration layer	Collaborate with the OneWa technology team to coordinate on system integration activities	Continue configuring/ changing interfaces to connect to integration layer	Collaborate with OFM IT team to coordinate on system integration activities

Closing Remarks

A Big **THANK YOU** to John Wright who has done an outstanding job of managing the POC Network. We wish him well in his next adventure.

- Q & A
- Next Steps
  - Next meeting in September
  - Suggest future topics to OneWa inbox

If you have any feedback, comments, or questions, please contact us at:

onewa@ofm.wa.gov