One Washington Program Blueprint Version 1 – Executive Summary
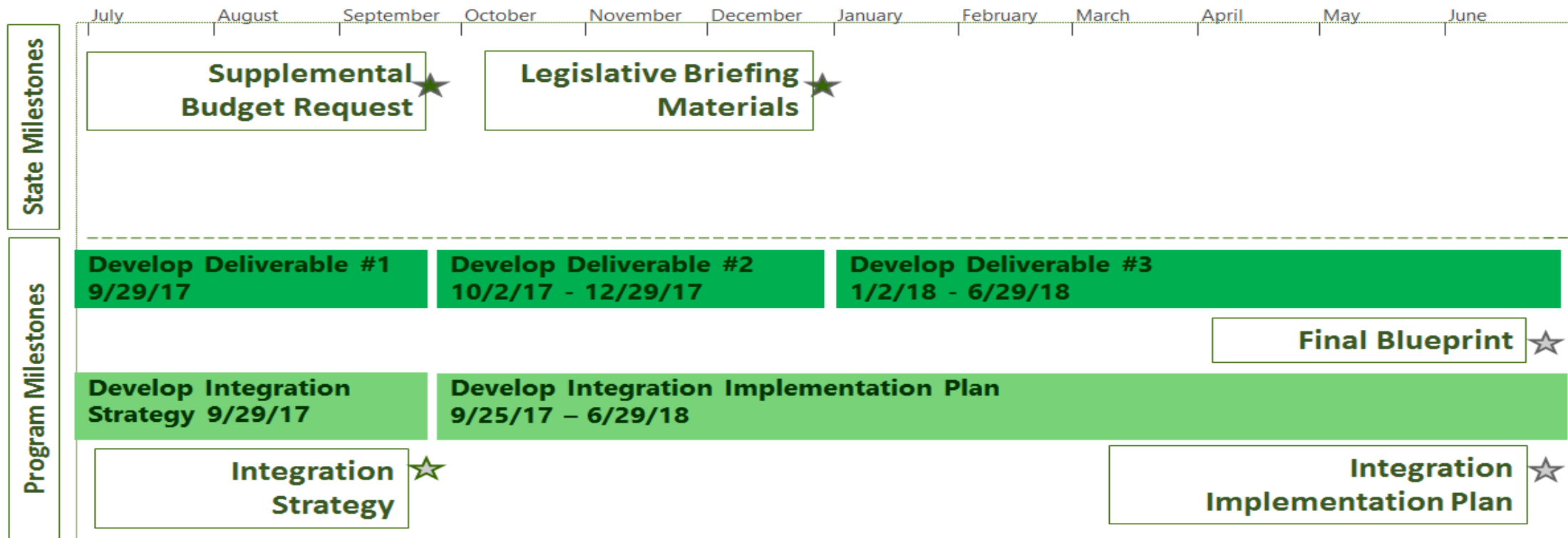
Blueprint Version 1

- Blueprint Overview
- Guiding Principles
- Initiatives and Phasing
- Recommended Program Staffing and Budget Estimates
- Appendix: WSDOT Integration with One Washington

Blueprint Overview

The One Washington program has been working with stakeholders in interviews and workshops since July. Our work has been incorporated into this draft of the Blueprint (version 1).

One Washington Blueprint Timeline

	July	August	September	October	November	December	January	February	March	April	May	June

State Milestones

- Supplemental Budget Request ★
- Legislative Briefing Materials ★

Program Milestones

- Develop Deliverable #1 — 9/29/17
- Develop Deliverable #2 — 10/2/17 - 12/29/17
- Develop Deliverable #3 — 1/2/18 - 6/29/18
- Final Blueprint ★
- Develop Integration Strategy 9/29/17
- Develop Integration Implementation Plan 9/25/17 – 6/29/18
- Integration Strategy ★
- Integration Implementation Plan ★

Guiding Principles

These principles guide future implementation efforts as well as enable the state to reference back to original goals.

- Unified vs. Best-of-Breed
- Technology Deployment Model
- Scope of Business Functions
- Implementation and Phasing Approach
- Integration Strategy
- Master Data Management
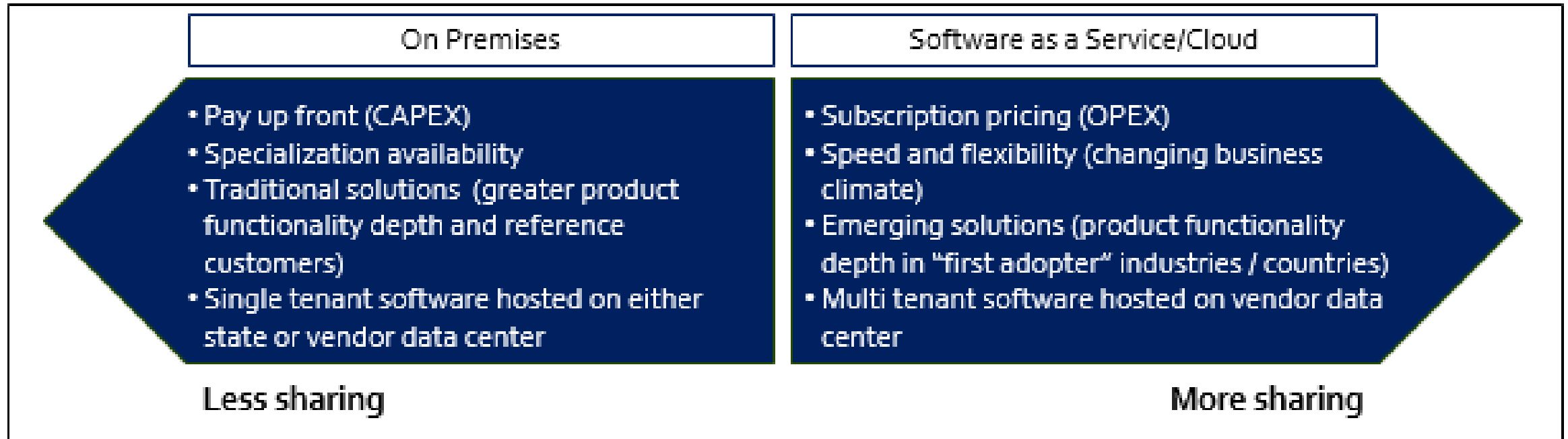- Data Conversion
- Reporting Capabilities
- Security Approach

Unified vs. Best-of-Breed

In coming to this conclusion, the state considered the following factors for each deployment model:

Unified Considerations	Best-of-Breed Considerations
An organization implements and supports a single instance of a suite of customizable software modules for each functional area from a single vendor	An organization implements and supports a compilation of different vendors and products, each based on specific needs in specific functional areas
Provides functionality for common requirements across the various functional areas, with a common data model, data base, and user interface	Allows for very precise requirements in various functional areas
Integration is relatively less complex (all components in a single-vendor environment), with integration provided "out of the box" by the vendor	Integration is relatively more complex (typically multiple vendor environments are involved), requiring dedicated efforts on integrations, some of which may be delivered by the vendors
Relatively less change management to train end users on a common application	Relatively more change management to train end users on different applications
Relatively slower to implement because single-vendor integration means more comprehensive design required, but less complexity to future changes and upgrades as part of the same application	Relatively faster to implement because fit-for-purpose modules can be 'plugged in' to core system, but adds complexity to future changes and upgrades (e.g. testing)
Sample vendors include Oracle, Workday, SAP, CGI, Infor, etc.	Sample vendors include Salesforce, Round Corner (Grants Management), Periscope, Coupa, Amazon (eCatalog and Reverse Auctions), etc.

Technology Deployment Model

The selection of the deployment model for the One Washington program is between an on premises or a SaaS (cloud) approach.

On Premises	Software as a Service/Cloud
• Pay up front (CAPEX) • Specialization availability • Traditional solutions (greater product functionality depth and reference customers) • Single tenant software hosted on either state or vendor data center	• Subscription pricing (OPEX) • Speed and flexibility (changing business climate) • Emerging solutions (product functionality depth in "first adopter" industries / countries) • Multi tenant software hosted on vendor data center

Less sharing

More sharing

Scope of Business Functions

| Finance	Procurement
Initial Release Functionality	**Initial Release Functionality**
General ledger accounting	Requisitions and purchase orders
Specialized accounting, e.g. project accounting, cost accounting, grantee accounting, Federal Highway accounting	Contract management
Budgetary control, e.g. encumbrances, commitment control	Receiving
Asset management and accounting	Sourcing, e.g. RFP, RFQ, RFX
Accounts payable	Supplier relationship management
Accounts receivable	Category management
Travel and expense	Catalog purchasing
Cash management, e.g. local banking and cash control	Master data, e.g. suppliers, commodities
Master data, e.g. chart of accounts, payees, suppliers	Reporting
Reporting	
Expanded Release Functionality	**Expanded Release Functionality**
Grantor management	Inventory management

Implementation and Phasing Approach

- Phased Functionality
- Phased Agencies
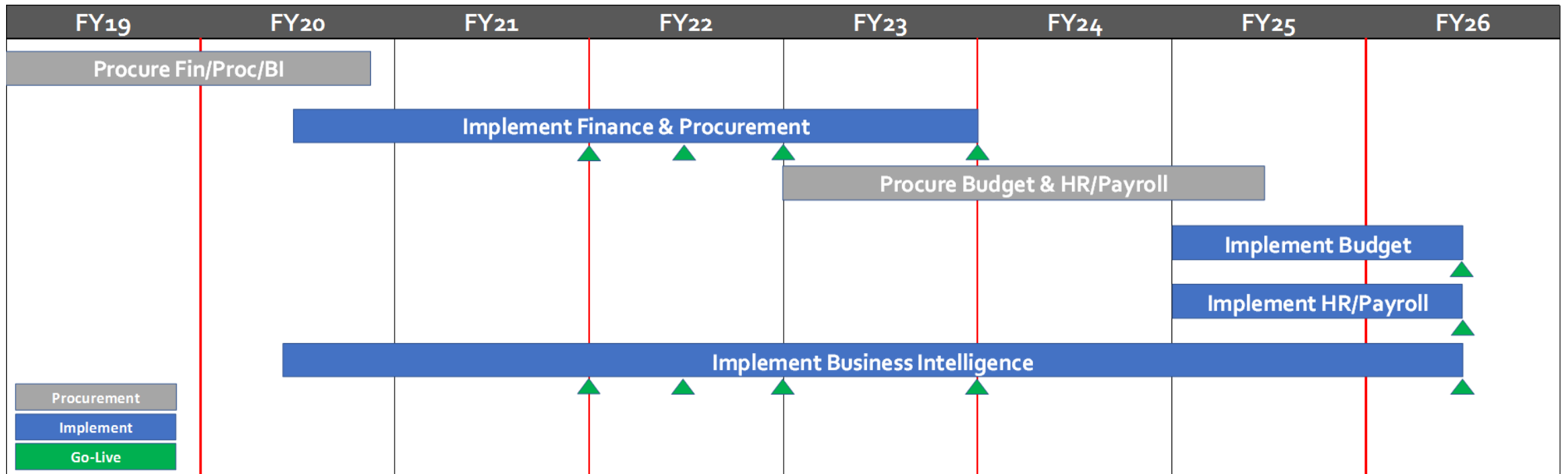
Integration Strategy

The Integration Strategy supports temporary interfaces during the implementation waves.
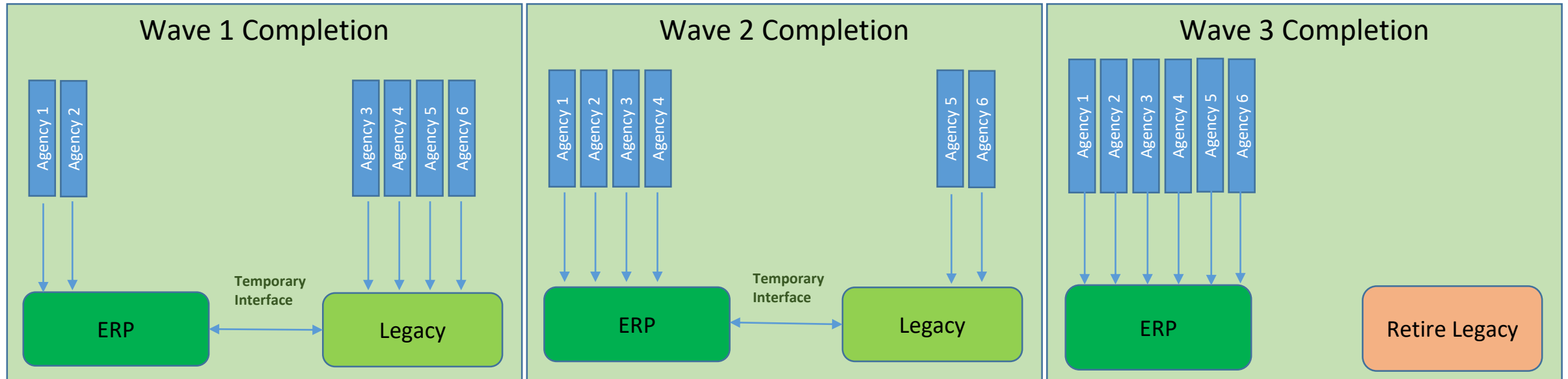
Master Data Management

The MDM strategy will identify the nature of the data and defines the governance and decision-making process for master data

- **Global Data** is coordinated across all agencies
    - Create and/or define daily business events
    - Establish the initial data environment
    - Drive enterprise reporting and/or analytics

- **Shared Data** is coordinated/shared across more than one agency
    - Create and/or define daily business events
    - Drive enterprise reporting and/or analytics

- **Local Data** is used by one agency
    - Data is used at the local level, very often for local and unique purposes
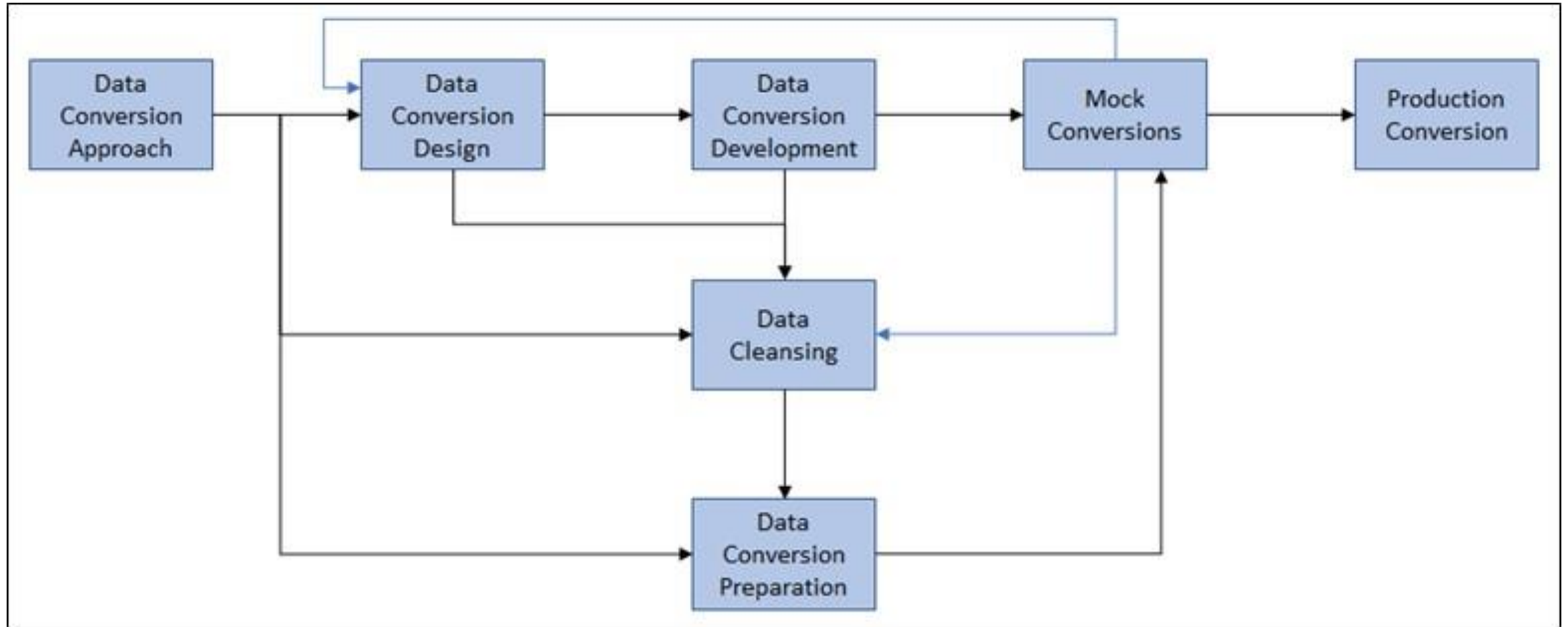   - Data varies by business unit and is relevant to only one agency

Master Data Management

MDM Governance Model

| Agency Change Request | Coordination Team Review | Oversight Committee Approval | Change Implementation |

Data Conversion

Reporting Capabilities

Target Users
- Executives & Analysts
- Management & Operations

Analysis Sophistication

Strategic Analytics
- Business scenario simulations – "what if" analysis
- Strategic budgeting and planning
- Ad-hoc analysis and queries

Dashboard Analytics
- Scorecards
- Fixed data analysis
- Metrics for key processes (KPIs)
- Executive reporting
- Business process analysis

Summary Reporting
- Financial consolidation and analysis
- Management reporting
- Performance analysis
- Statutory reporting

Transactional Reporting
- Daily operations support
- Operational reporting
- Real-time reporting
- On-line inquiry

Reporting Capabilities

Modern ERP Reporting Benefits

Leveraging delivered functionality	Many report requests can be met using the capabilities delivered within the ERP.
Transparency of complex calculations	ERPs give transparency to complex calculations and make that data available through reporting and dashboards.
Real-time data	ERPs provide reporting capabilities and dashboards that allow data analysis in real time.
Drilldown capabilities	ERP reporting tools allow users to easily move from a higher-level view to a more detailed view of the data being analyzed.
Ad-hoc reporting capabilities	ERPs provide for flexibility and easy access for users to build their own queries.

Security Approach

Embedding security design, configuration, and testing into the project lifecycle greatly reduces risk for the delivery of a secure system. The security configuration for the One Washington ERP implementation will focus on three areas:

- **Infrastructure Security** – Configuring the infrastructure in such a way that users can easily access what they need to, but remain secure throughout the entire communication process.
- **Data Security** – Securing data such that only appropriate users have access to the appropriate data required for their job roles.
- **Application Security** – Configuring the system such that only the appropriate users can gain access through trusted authentication services. This is a critical step towards protecting the perimeter of the applications. Extending that configuration to appropriate authorizations that restrict users to only the data and transactions that they need to do their day-to-day jobs completes the application security model.

Security Approach

The following security considerations need to be further analyzed for adherence to state and agencies' security policies and standards:

- ERP Authentication
- File Transfer Security
- Logging and Monitoring
- Firewall
- Digital Certificates
- VPN
- Secure Access Washington
- File Data Encryption
- Authorization
- Maintaining Security
- Security Design Review

Initiatives and Phasing

Initiatives Beginning in Fiscal Year 2019

Initiatives		
Procurement of Finance and Procurement Software	**Assess Procurement Organizational Strategy**	**Assess Finance Organizational Strategy and Readiness**
• Work with stakeholders to gather business and technical requirements • Work with WaTech to ensure infrastructure readiness • Facilitate software demos • Evaluate and select software • Continue to coordinate change readiness activities	• Assess current business processes with procurement organizational strategy • Conduct review of laws, regulations, and policies in readiness for a new procurement system • Launch strategic sourcing assessment for a select group of categories	• Assess current business processes with finance organizational strategy • Consolidate statewide master payee and customer files • Conduct a review of laws, regulations, and policies in readiness for a new financial system • Review business processes that could be improved with existing technology • Standardize accounting practices and data in preparation for a new system

Procurement of Finance and Procurement Software

Major Activity	Spring FY18	FY19 July 1, 2018 - June 30, 2019												FY20 July 1, 2019 - June 30, 2020											
Program month		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Implementation month																		1	2	3	4	5	6	7	8
Fin/Proc ERP Procurement Activity																									
Initial ERP Software Acquisition																									
Market research/ERP software demonstrations																									
Defining business/technical requirements																									
Drafting the CPP documents																									
Expose draft CPP for review and comment																									
Finalize the CPP documents																									
Publish the CPP documents																									
Time for vendors to develop proposals																									
Evaluation, demos, orals, and selection																									
Negotiations and contracting																									

Implementation and Phasing Approach

Implementation Wave	Detail
Initial Release Wave 1	• Agencies engaged by invitation, allowing One Washington to control size and mix for affordability • Engage agencies that account for >50% of the budget to show adoption • Engage a mix of agencies that will use most of the initial functionality to help design the baseline configuration and common business rules • Engage a mix of small, medium, and large agencies to demonstrate that the solution works for agencies of all sizes • Engage a mix of agencies that use general fund, special revenue funds, capital funds, and internal service funds to demonstrate that the solution works for all fund types
Initial Release Wave 2	• One Washington will work with agencies to schedule them into this wave, allowing One Washington to control size and mix for affordability
Initial Release Wave 3	• All other agencies
Expanded Release Wave 4	• During development of Version 2 of the Program Blueprint, we engage in selective interviews and/or meetings to confirm which agencies require expanded functionality to meet their business needs

Implementation Phasing Criteria Matrix

Criteria	Description
Contributes to Baseline Configuration	Accounts for 80% of the common workflows, enterprise wide business rules, and master data
Fund Type	Includes General Funds, Special Revenue Funds, Capital Funds, and Internal Service Funds
Technical Readiness	Considers network infrastructure, cloud connectivity, and end-user devices
Executive Buy-In and Support	Addresses degree of willingness and support for design and adoption of the One Washington solution and resource capacity
Business Buy-In and Support	Addresses degree of willingness and support from finance and procurement business community
Technical Imperatives	Addresses agency needs, for example, broken financial systems, non-existent procurement systems, agency systems at end of life
Business Imperatives and Connectivity to Other Agencies	Addresses agency needs, for example, new business requirements, common business requirements among a group of similar agencies

Implementation and Phasing Approach

Implementation and Phasing Approach

Major Activity	FY 25 July 1, 2024 - June 30, 2025												FY 26 July 1, 2025 - June 30, 2026											
Program month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Implementation month	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80
Budget Implementation																								
Design/Configure/Test/Deploy																								
Full release all agencies: initiate and confirm																								
Full release all agencies: configure, adopt, adapt																								
Full release all agencies: test																								
Full release all agencies: deploy and go-live																								
Post implementation operations and maintenance																			6 months support					
Design/Configure/Test/Deploy BI for Budget																								
HR/Payroll implementation																								
Design/Configure/Test/Deploy																								
Full release all agencies: initiate and confirm																								
Full release all agencies: configure, adopt, adapt																								
Full release all agencies: test																								
Full release all agencies: deploy and go-live																								
Post implementation operations and maintenance																			6 months support					
Design/Configure/Test/Deploy BI for HR/Payroll																								

Recommended Program Staffing and Budget Estimates

Recommended Program Staffing and Budget Estimates

Estimated costs for the One Washington program. These estimates do not include agency costs.

Model Summary	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Total Annual Costs	$ 5,256	$ 26,441	$ 51,857	$ 57,870	$ 33,787	$ 24,745	$ 54,028	$ 49,977
Total Program Costs	$ 5,256	$ 31,697	$ 83,555	$ 141,424	$ 175,211	$ 199,956	$ 253,984	$ 303,961

* Numbers presented in thousands

Staffing Levels	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
State FTE	11.7	31.2	52.4	61.2	39.1	23.2	43.0	35.2
Contractor FTE	7.0	22.2	42.5	43.4	24.6	10.5	31.0	26.0
Total FTE	**18.7**	**53.3**	**94.8**	**104.6**	**63.7**	**33.7**	**74.1**	**61.2**

* Numbers rounded to 1 decimal

2018 Program Blueprint Annual Summary

	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
2017-18 Program Blueprint	$ 5,256	$ 26,441	$ 51,857	$ 57,870	$ 33,787	$ 24,745	$ 54,028	$ 49,977
	Software Selection / Finance	Implement - Finance				Software Selection / Budget	Implement - Budget	
	Software Selection / Procurement	Implement - Procurement				Software Selection / HR/Payroll	Implement - HR/Payroll	
		Implement Business Intelligence/Analytics						

* Numbers presented in thousands

Appendix
WSDOT Integration with One Washington

WSDOT Integration with One Washington

WSDOT needs to upgrade its aging financial system in the next five years, primarily due to technical obsolescence. WSDOT and One Washington will continue to work together to perform analysis and gather data necessary to make an informed decision on whether WSDOT should utilize the One Washington statewide ERP or upgrade TRAINS to the most current version of Advantage.

- A two-day workshop was conducted and the following topics were discussed:
  - Overview of the One Washington program
  - A discussion of WSDOT specific requirements
  - Wisconsin DOT case study
  - A review of 25 WSDOT critical systems and impact due to the implementation of an ERP

- Mutual agreement that an ERP, whether statewide or WSDOT specific, would provide functionality and capability to meet WSDOT business needs

- WSDOT expressed needs regarding the ERP governance, for during and post implementation, in order to ensure an integrated system meets its business needs

Next Steps

Blueprint Version 2

Topic	Detail
HR/Payroll and Budget	• Implementation plan specific to: scope of business functions, business-value creation opportunities, schedule, and estimates
Integration Plan	• Begin effort to identify and analyze agency (external) systems that will integrate with the One Washington ERP • Begin effort to identify and analyze systems that will be sources for data conversion into the One Washington ERP
Change Management	• Develop the communications strategy and plan • Develop the change management strategy and plan

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For Questions, Comments, or Concerns:
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