February 11, 2022

TO: Honorable Christine Rolfes, Chair
Honorable Lynda Wilson, Ranking Member
Senate Ways & Means Committee

Honorable Timm Ormsby, Chair
Honorable Drew Stokesbary, Ranking Member
House Appropriations Committee

Honorable Marko Liias, Chair
Honorable Curtis King, Ranking Member
Senate Transportation Committee

Honorable Jake Fey, Chair
Honorable Andrew Barkis, Ranking Member
House Transportation Committee

FROM: David Schumacher
Director

SUBJECT: **ONE WASHINGTON'S QUARTERLY REPORT TO LEGISLATIVE FISCAL COMMITTEES (OCTOBER – DECEMBER 2021)**

I am pleased to submit the quarterly report for the One Washington program for October-December 2021. The program is implementing Phase 1a (Core Financials), otherwise known as the Agency Financial Report System (AFRS) replacement. It is also preparing for Phase 1b (Expanded Financials and Procurement). Business transformation remains a key focus during implementation. This report focuses on the policy, budget and management issues of the One Washington program.

Key work we completed or launched this quarter

- Divided the executive directorship into two positions: an executive director for business transformation (Scott Nicholson) and executive director for technology transformation (John Anderson with Integrated Solutions Group, LLC). We made this decision due to the magnitude and scale of the program and to ensure high standards for cultural and organizational change in business and technology.

- Hired a system remediation director to serve as an expert resource to lead agency remediation efforts.

- Expanded change management resources to work with agencies on business transformation readiness. Additional resources will continue to be added next quarter.

- Completed a multi-week effort that culminated in an updated Phase 1a project schedule in response to feedback from our independent quality assurance partners, the Office of the Chief Information Officer (OCIO), governance bodies and agencies.

  o The Executive Steering Committee (ESC) endorsed the updated Phase 1a project schedule on November 10 with the expectation that certain program activities would be accomplished over

the next 90 days. For that reason, we continue to closely monitor these activities to evaluate the feasibility of the October 2022 go-live date with regular updates to the ESC.

- o By resetting our project schedule baseline, we are positioned to further examine the status of preparedness in agencies and to create an integrated, updated and structurally-sound plan for the near term that complies with leading practices and incorporates the recommendations from our QA partner and feedback from the OCIO.

- o Continually updated and evaluated the project schedule for impacts to the critical path and reviewed it against project performance metrics.

- o We continue to review and evaluate this integrated schedule with key stakeholders, our QA partner and the OCIO.

- Continued improvement efforts and began to create an enterprise program schedule that focuses on supporting all phases of the program and activities throughout the lifecycle of the One Washington program. This schedule will help the program plan and track key activities before each of the next phases/sub-projects kick off to help us smoothly execute future phases/sub-projects.

- Completed the Workday Foundation Data Model (FDM) Worktag definitions, which will replace the old chart of accounts (COA). We are mapping values from the AFRS COA to Workday FDM values with key agencies. These include the Department of Social and Health Services, Health Care Authority, Employment Security Department, Utilities and Transportation Commission, Washington Military Department, Washington State University, and several other agencies and/or universities. Transforming AFRS data into the Workday FDM is complex, meticulous and time-consuming work. The FDM will continue to change just as the current COA changes. We are developing processes to continuously update the FDM and communicate updates to agencies monthly.

- Continued to help 36 agencies identify and plan the transition of their agency legacy systems to the Workday FDM worktags and values for Phase 1a. We call this work "agency legacy system remediation."

- o We are working to create a separate workstream to support legacy system remediation.

- o We analyzed 229 agency legacy system remediation work plans, developed and launched a monthly remediation status reporting process, and hosted remediation information sessions with agencies.

- Hired a Organizational Change Management (OCM) Agency Deployment Lead to support agencies in their readiness activities. We actively engaged with agencies to assign key OCM resources.

- Completed the second round of customer confirmation sessions for the following functional areas: Accounts Payable, Accounts Receivable, Banking and Leasing. We will complete the remaining ones (Budget, Business Assets and Financial Accounting) next quarter. Completing these sessions is a significant milestone in Phase 1a because they show agencies the configuration and design of Workday. We will continue to work with agencies to refine this design as we head toward end-to-end testing, which is scheduled for mid-February.

- Completed research, analysis, and recommendations to consolidate legacy reports. This would better align future Workday reports with the future state business processes. The reporting team also started assessing the scope of work and reporting prioritization that we need for go-live.

- Continued to make progress on the cost allocation design and configuration (specifically for Medicaid cost allocation) to replace the Cost Allocation System (CAS) that the Department of Social and Health Services, Health Care Authority and Department of Children, Youth, and Families use. A majority of design work is completed and we are now working to finalize configurations to include related

worktags such as grants. The CAS agencies have reviewed and approved their first initial cost allocation configuration workbooks which include all allocation codes and definitions. We refreshed data sets that will continue to be shared with the CAS agencies for update and validation as we continue on the path to go-live. This means the cost allocation workstream, which was once behind, is catching up and beginning to move in tandem with other workstreams of the project.

- Continued to collaborate with the Department of Enterprise Services (DES) on the procurement fit-gap analysis. DES hired a contractor to review the gaps (the functionality currently not in the Workday system) and provide recommendations on how to address them. In addition, we held preliminary discussions on procurement readiness activities that we can complete before Phase 1b implementation. Procurement will start under Phase 1b.

How we engaged with Washington Technology Solutions

Cybersecurity: We continued to collaborate with the Office of Cyber Security (OCS) and other stakeholders to complete the system security plan deliverables and other security-related topics. This supports the need to meet all state and federal security requirements and other industry best practices.

Services: We formulated a plan with WaTech to move forward with authentication for agencies outside of the State Government Network (SGN) to ensure Workday is protected against unauthorized users. As we noted in previous reports, we identified a configuration issue between Secure Access Washington (SAW) and Workday. We are working with WaTech on a possible solution that we expect to be ready next quarter. If that solution doesn't work the way we think it will, we can still use native Workday authentication. Either way, we have a viable solution for authentication for Phase 1a.

Oversight: We conducted meetings with the OCIO to discuss the technology budget (detailed spreadsheets for every deliverable) and associated investment plans. We received approval for Phase 1a, Gate 6 certification and the associated release of funding. We also received approval for Phase 1b, Gate 1 to begin. The program meets regularly with OCIO, which provided a dedicated oversight consultant as of mid-December. This consultant will drive process improvements and provide recommendations informed by daily engagement on program activities.

How we connected to other agencies

- Continued the OCM work for agencies of all sizes and complexities. This work includes various communications, engagements, strategies and support for agencies. We shared the updated master project schedule with agencies.

- Completed four customer confirmation sessions. We reviewed requirements that we gathered during previous Process Design and Discovery (PDD) workshops and explored opportunities to improve on our initial process design. We used these sessions to validate requirements and demonstrate how Workday functions use the state's business processes and data. There were 762 participants. This gave agencies an opportunity to see how Workday will look and feel after 'go live' and allowed agencies to provide input on the Workday design.

- Worked with agencies on security role mapping. This process ensures that employees who need access to the finance and budget control functions for Phase 1a have the correct security to perform their job duties in Workday. Security role mapping is iterative and refined throughout the configuration, prototype and test stages.

- Provided change impact overview sessions to agencies. This gave agencies more information on Phase 1a change impact details and answered many of their questions.

- Continued engagement with the Department of Transportation (DOT) Propel team to ensure we have a workable plan to replace applications running on the Transportation Reporting and Accounting Information System (TRAINS), a 30-year-old system.

    o Continued to partner with DOT to scope the Phase 1a planning and readiness activities that will help prepare them for the launch of Phase 1b.

    o Continued to collaborate with the Propel team to ensure they have the information they need to understand Phase 1a business process impacts, complete the Phase 1a integrations, perform readiness activities for Phase 1b, and obtain One Washington Technology Pool funding.

    o Gave the Propel team access to the Workday Resource Center so it could take Workday training courses in preparation for the upcoming Phase 1a planning and readiness work. This also provides the team with ongoing access to the Workday training tenants in the resource center.

How we used funding to deliver value for the state

The attachment outlines how we used our funding to deliver value for the quarter. This includes:

- Last quarter's budget and next quarter's projected spend
- Contract spending
- List of quantifiable deliverables and the related expenditures
- Financial performance metrics on 10 state agencies that includes monthly performance data

The attachment also includes partial information regarding the proviso language to report on each state agency's funding for the One Washington Technology Pool and Agency OCM Pool including last quarter's budget and next quarter's project spend. We provided One Washington Technology Pool funds to eligible agencies on December 30. The attachment includes that total dollar amount. We are asking agencies to revise their work based on the Phase 1a update effort so their next quarter's projected spend is not available. OCM Pool resources were not deployed to agencies until January 2022.

For more information, please contact:

Matthew Meacham | 360-763-2444 | matthew.meacham@ofm.wa.gov
One Washington Program Director

Doug Vaughn | 360-705-7401 | vaughnd@wsdot.wa.gov
WSDOT Chief Financial Officer

Attachments (2)
cc: Susan Howson, Coordinator, Senate Ways & Means Committee
     Charlie Gavigan, Coordinator, House Appropriations Committee
     Kelly Simpson, Coordinator, Senate Transportation Committee
     Mark Matteson, 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
     Patricia Lashway, Deputy Director, OFM
     Scott Nicholson, One Washington Executive Director of Business Transformation, OFM
     John Anderson, One Washington Executive Director of Technology Transformation, OFM

Expenditure Report

GL Account	(Multiple Items)					
Account	(Multiple Items)					
		Actuals		Projections		
Sum of Amount	**Fiscal Month/Year**					
Tech Budget Section	**FM04 - October 2021**	**FM05 - November 2021**	**FM06 - December 2021**	**FM07 - January 2022**	**FM08 - February 2022**	**FM09 - March 2022**
1. State Employee Staffing Costs	$455,604	$501,639	$567,270	$764,522	$764,522	$764,522
3. Contracted Professional Services	$6,073,377	$128,544	$1,258,713	$1,756,867	$2,012,995	$1,756,867
4. Software Licenses and Subscriptions	$1,262,609	$67,059	$1,911,667			
5. Hardware and Equipment	$163,521	$1,059	$2,052			
6. Other	$5,997	$1,132,962	$237,058	$8,195,111	$8,195,111	$8,195,111
2. Non-State Employee Staffing Costs			$134,778			
Grand Total	**$7,961,108**	**$1,831,263**	**$4,111,539**	**$10,716,500**	**$10,972,628**	**$10,716,500**

Row Labels	Q2 FM04 - October 2021 Costs	FTE Equiv	FM05 - November 2021 Costs	FTE Equiv	FM06 - December 2021 Costs	FTE Equiv	Q3 FM07 - January 2022 Costs	FTE Equiv	FM08 - February 2022 Costs	FTE Equiv	FM09 - March 2022 Costs	FTE Equiv	Total Costs	Total FTE Equiv
Bluecrane														
Monthly QA Status Reports	$60,000	2	$60,000	2	$60,000	2	$60,000	2	$60,000	2	$60,000	2	$360,000	14
Deloitte														
Activity - Monthly Communication Report			$38,238	1			$95,595	3	$19,119	1	$19,119	1	$172,071	5
Agency Training Plan					$349,071	9							$349,071	9
Changes to State Employee Roles Report							$383,912	10					$383,912	10
Coaching Plan									$787,700	21			$787,700	21
Monthly Agency Support Team Report					$44,298	1	$110,745	3	$22,149	1	$22,149	1	$199,341	5
OCM Pulse Check							$114,711	3					$114,711	3
Readiness Assessment #3							$256,128	7					$256,128	7
Updated Change Impact Assessment							$349,071	9					$349,071	9
Deloitte (SI)														
Business Process Maps	$127,566	3											$127,566	3
Configuration 1 Tenant Build	$760,857	21											$760,857	21
Configuration 2 Tenant Build	$1,516,392	41											$1,516,392	41
Configuration Security Framework	$127,566	3											$127,566	3
Customer Confirmation Sessions							$1,516,392	41					$1,516,392	41
Deployment Plan	$127,566	3											$127,566	3
End-to-End Tenant Build							$1,516,392	41					$1,516,392	41
End-to-End Testing Approach	$128,258	3											$128,258	3
End-to-End Testing Plan	$128,258	3											$128,258	3
End-User Training Curriculum							$128,258	3					$128,258	3
End-User Training Plan							$127,566	3					$127,566	3
End-User Training Strategy	$127,566	3											$127,566	3
Fit/Gap Analysis	$127,566	3											$127,566	3
Foundation Data Model (FDM) Blueprint	$760,857	21											$760,857	21
Foundation Tenant	$127,566	3											$127,566	3
Integrations Developed and Unit Test - Contractor							$769,549	21					$769,549	21
Mobile Usage Deployment Requirements	$127,566	3											$127,566	3
Report Inventory	$359,123	10											$359,123	10
Reports Developed and Unit Test - Contractor							$128,258	3					$128,258	3
Security Role Mapping							$128,258	3					$128,258	3
Solution Architecture	$127,566	3											$127,566	3
Sustainment Lab							$127,566	3					$127,566	3
Testing Strategy	$127,566	3											$127,566	3
Training Needs Analysis or Assessment	$127,566	3											$127,566	3
User Experience Review Approach	$128,258	3											$128,258	3
User Experience Review Plan							$0	0					$0	0
User Personas and Moments that Matter	$76,086	2											$76,086	2
User Stories							$127,566	3					$127,566	3
Workday DA Review - Configuration							$128,258	3					$128,258	3
ISG-Local														
PMO Support	$30,725	1	$30,725	1	$30,725	1							$92,175	4
ISG-Public														
ERP Advisor	$64,272	1	$64,272	1	$64,272	1	$28,320	1	$28,320	1	$28,320	1	$277,776	6
LB3														
Legal Services including vendor contract development and negotiations	$34,243	0	$34,243	0	$34,243	0	$34,243	0	$34,243	0	$34,243	0	$205,460	3
Plante Moran														
ERP Consulting Services/WSDOT Support							$385,224	13	$55,032	2	$55,032	2	$495,288	16
SBCTC														
Project Management Support	$25,200	1	$25,200	1	$25,200	1	$25,200	1	$25,200	1	$25,200	1	$151,200	6
Workday														
Delivery Assurance	$14,562	0			$14,562	0							$29,124	0
Platinum Success	$35,000	0			$35,000	0							$70,000	0
Subscription Cost	$1,106,250	0			$1,106,250	0							$2,212,500	0
Training	$2,500	0			$2,500	0							$5,000	0
Grand Total	$6,506,506	146	$252,678	8	$1,766,121	17	$6,541,214	179	$1,031,763	28	$244,063	7	$16,342,346	385

Quantifiable Deliverables

Oct - Dec 2021 Deliverables Completed	
Description	**Date and title of artifact posted to OCIO Dashboard**
ERP Expert Advisor:	
- Recurring ERP Expert Advisor Monthly Report	**Monthly**
Quality Assurance:	
- Recurring Monthly QA Reports	**Monthly**
Program Deliverables:	
- Recurring Monthly Program Status Reports	**Monthly**
- Recurring Monthly Program Response to QA Reports	**Monthly**
- Onboarding of new staff and contractors	**Ongoing**
- Quarterly Legislative Update (July - Sept 2021)	**Posted 12/21/2021: "OFM One Washington Quarterly Report July-Sept 2021"**
- Investment Plan Update	
- Technology Budget Update - Phase 1A Core Financials	
- Technology Budget Update - Phase 1B Expanded Financials & Procurement	
Organizational Change Management:	
- Recurring Monthly OCM Report	**Monthly**
- Recurring Communications Report	**Monthly**
- Recurring Monthly Agency Support Team Meetings	**Monthly**
- OCM Pulse Check #1 Report	**Done; awaiting final review of confidential information prior to posting**
32- End-User Training Strategy	**Done; awaiting final review of confidential information prior to posting**
- OCM Pulse Check #2 Report	**Done; awaiting final review of confidential information prior to posting**
- Change Impact Assessment Update	**Done; awaiting final review of confidential information prior to posting**
- Agency Specific Internal Training Plan	**Done; awaiting final review of confidential information prior to posting**
32- End-User Training Strategy	**Done; awaiting final review of confidential information prior to posting**
65 - End user training curriculum	**Done; awaiting final review of confidential information prior to posting**
ERP Systems Integrator:	
11 Guiding Principles	**Posted 11/30/2021 - "Guiding principles - SI Deliverable 11"**
13 Status Reporting Template	**Posted 11/29/2021 - "Status reporting template - weekly by work stream - SI Deliverable 13"** **Posted 11/29/2021 - "Status reporting template - weekly PMO - SI Deliverable 13"** **Posted 11/29/2021 - "Status reporting template - monthly - SI Deliverable 13"**
14 Risks and Issues Reporting	**Posted 11/30/2021 - "Risks and issues reporting - SI Deliverable 14"**
2 Project Charter	**Posted 12/29/2021: "OneWa-002DEL-Project Charter Phase 1A - Final Redacted"**
4 Project Work Plan	**Posted 11/29/2021 - "Project work plan baselined 20210417 - SI Deliverable 4"**
21 Integration Approach	**Posted 12/29/2021 - "Integration Approach - SI Deliverable 21 -Redacted"**
24 Data Conversion Strategy and Plan	**Posted 12/29/2021 - "OneWA-024DEL-Data Conversion Strategy and Plan - Final REDACTED"**
45 Reporting Strategy and Approach	**Posted 12/29/2021 - "OneWa-045DEL-Reporting Strategy and Approach - Final Redacted"**
20 Knowledge Transfer Plans	**Posted 12/29/2021 - "Knowledge Transfer Plans - SI Deliverable 20"**
53 End-to-End Testing Approach	**Done; awaiting final review of confidential information prior to posting**
62 End-to-End Testing Plan	**Done; awaiting final review of confidential information prior to posting**
10 User Personas that matter	**Done; awaiting final review of confidential information prior to posting**

Quantifiable Deliverables

51 Configuration 2 Tenant Build **Done; awaiting final review of confidential information prior to posting**

Jan-Mar 2022 Deliverables Planned	
Description	**Estimated completion date / comments**
ERP Expert Advisor:	
- Recurring ERP Expert Advisor Monthly Report	**Monthly**
Quality Assurance:	
- Recurring Monthly QA Reports	**Monthly**
Program Deliverables:	
- Recurring Monthly Program Status Reports	**Monthly**
- Consolidated Monthly Agency Legacy System Remediation Status Upd	**Monthly**
- Statewide IT Resource Pool Expenditure Report and Status Update	**Monthly**
- Quarterly Legislative Update (Oct-Dec 2021)	**Jan-22**
- Annual review/updates of Project Management Plans	**Mar-22**
- 2022 (FY2023) Supplemental Decision Package	**Jan-22**
- Investment Plan Update	**Jan-22**
- Technology Budget Update - Phase 1A Core Financials	**Jan-22**
29 - Operating Model (Sustainment) Plan	**Mar-22**
- Apply for Gate 7 Funding	**Jan-22**
Organizational Change Management:	
- Recurring Monthly OCM Reports	**Monthly**
- Recurring Communications Report	**Monthly**
- Coaching Plan	**Jan-22**
- Changes to State Employees Role Report	**Jan-22**
- Readiness Assessment #3 Results	**Apr-22**
33 - End user training plan	**Mar-22**
ERP Systems Integrator:	
18 Deployment Plan	**Oct-21**
28 Sustainment Lab 2 of 2	**Feb-22**
39 User Stories	**Jan-22**
47 Integration Designs - Contractor	**Jan-22**
52 Customer Confirmation Sessions (2)	**Jan-22**
54 User Experience Review Approach	**Oct-21**
55 End-to-End Tenant Build	**Feb-22**
56 Workday DA Review - Configuration	**Feb-22**
61 Security Role Mapping	**Feb-22**
63 - End-to-End Test Scenarios	**Feb-22**
71 Training Tenant	**Feb-22**
73 User Experience Review Plan	**Feb-22**
74 User Experience Review Scenarios	**Feb-22**
Updated work plan	**Feb-22**

One Washington Technology Pool

Agency	Amount	
Community and Technical College System (CTCS)	$	163,170
Consolidated Technology Services (CTS)	$	113,000
Department of Services for the Blind (DSB)	$	322,865
Department of Social and Health Services (DSHS)	$	500,112
Eastern Washington University (EWU)	$	75,000
Washington State Patrol (WSP)	$	60,326
Department of Enterprise Services (DES)	$	261,055
Department of Fish and Wildlife (DFW)	$	131,564
Department of Health (DOH)	$	185,272
Department of Labor and Industries (L&I)	$	194,114
The Evergreen State College (TESC)	$	40,619
Department of Children, Youth, and Families (DCYF)	$	495,574
Department of Ecology (ECY)	$	527,444
Department of Revenue (DOR)	$	1,007,268
Department of Transportation (DOT)	$	3,955,949
Employment Security Department (ESD)	$	25,827
State Health Care Authority (HCA)	$	5,084,000
Department of Licensing (DOL)	$	5,616,712
	$	**18,759,871**

One Washington's Quarterly Report to Legislative Fiscal Committees
October – December 2021
Financial Performance Metrics on 10 State Agencies that
Includes Monthly Performance Data

The proviso language in the approved Governor's budget for the One Washington 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, and
- 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 a set of metrics collected monthly have not produced the intended results. Regrettably, the current technology is 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 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. The report contains system performance data from 2019 for historical perspective and comparison. The data was imported into PowerBI and configured as interactive web-based dashboards. The dashboards will be updated to complete this quarterly reporting requirement.

The data is available for each report and is available for download for authorized users. Each report has filters to allow users to tailor the report to their specific needs. PowerBI is configured to remember each user's individual choices, facilitating user adoption.

**One Washington's Quarterly Report to Legislative Fiscal Committees
October – December 2021
Financial Performance Metrics on 10 State Agencies that
Includes Monthly Performance Data**

Metric 1: Outage Duration Overview

This report summarizes the outage hours each month for each system that One Washington will replace. Of note, the OFM Outage Manager stated that reported outages have been reduced since July 2021 due to code freezes on many of the financial systems being replaced by One Washington.

One Washington's Quarterly Report to Legislative Fiscal Committees
October – December 2021
Financial Performance Metrics on 10 State Agencies that
Includes Monthly Performance Data

Metric 2: Outage Duration Details

This report provides outage hours each month for each system that One Washington will replace. In addition to the summary report, this report provides a rollup of the outage hours distribution and information for each outage. All of the data for each screen element may be downloaded as a spreadsheet for authorized users.

One Washington's Quarterly Report to Legislative Fiscal Committees
October – December 2021
Financial Performance Metrics on 10 State Agencies that
Includes Monthly Performance Data

Metric 3: Help Desk Requests for Financial Systems

The following is a dashboard with elements that allow users to understand the types of help desk support requests for each OFM financial system each month. For comparison, we are reporting two quarters of data, July – December 2021.

One Washington's Quarterly Report to Legislative Fiscal Committees
October – December 2021
Financial Performance Metrics on 10 State Agencies that
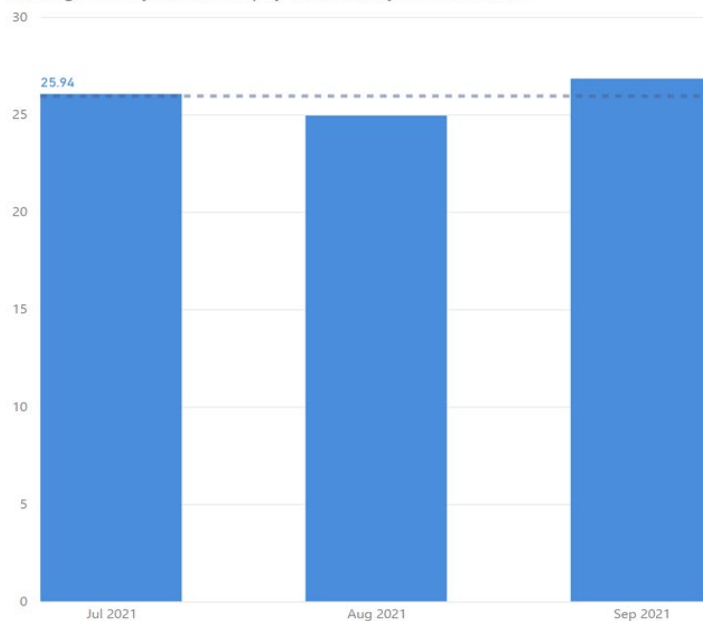**Includes Monthly Performance Data**

__Metric 4__: Average Prompt Payment Time for 10 Agencies*`

Data was requested from ten state agencies related to the promptness of payments. The July – Sept 2021 (Quarter 1) was reported as an average 25.94 days across the agencies.

*information for this metric for Quarter 2, Oct – Dec 2021, was not available at the time of this report due to the fiscal month close and availability of subject data for the quarter.