Technology Modernization Board

Meeting Minutes

November 5, 2018

Attendance

PRESENT

1. Maria Roat   Acting Chair, Term Board Member
2. Charles Worthington   Term Board Member
3. Grant Schneider   Alternate Board Member
4. Dr. Erwin Gianchandani Alternate Board Member
5. Margie Graves   Alternate Board Member
6. Rajive Mathur   Term Board Member
7. Matt Hartman   Permanent Board Member

OTHER ATTENDEES

1. Elizabeth Cain   General Services Administration
2. Jennifer Hanna   General Services Administration
3. James Johnson   General Services Administration
4. Jackie Borman   General Services Administration
5. Ben Skidmore   Office of Management and Budget

Meeting Minutes

1. The Board heard opening remarks from the Acting Chair and Liz Cain.
2. The Board discussed and voted on one initial project proposals from one agency.
3. The Board approved the template for quarterly updates.
4. The Board approved meeting minutes from October 22, 2018.
5. The Board adjourned.

Action Items

1. The TMF PMO will send Suzette the letters for the reverted and rejected project proposal.
2. The TMF PMO will work to schedule a follow up discussion with DOL regarding the reverted and rejected proposals.
3. The TMF PMO will work with the first three awarded agencies to bring them in to brief the Board in November.

Voting Decisions

PROJECT DETERMINATIONS

Order	Project Title	Agency	Project Stage	Determination
1	**NewPay**	GSA	Initial Project Proposal	Revert

Voting Record

1. **NewPay**
    Votes:

Rajive	Revert
Matt	Revert
Erwin	Revert
Maria	Approve
Margie	Revert
Grant	Reject
Charles	Approve

Meeting Deliberations

1. **Welcome and Opening Remarks –** Maria Roat, Acting Chair (5 minutes)
    - LC: Thanks to our alternates making this IPP review happen.
2. **IPP Review: GSA NewPay Implementation**—Board (45 minutes)

    - Charles: I understand the problem and like the idea of modern SAS solution to solve it. Biggest question was about the money. SAS is normally pay as go-hoping for explicit linkage of success to cost, so that the NewPay team only needs all the money if they successfully move users onto the platform
    - Rajive: didn't understood how money was being spent, seemed very lumpy, didn't seem to be rhyme or reason versus value of money and milestones, did not get gap analysis (should have outside perspective)
    - Margie: is this (TMF) the right place for this particular transaction to take place? She gets what it's trying to accomplish, has similar questions to R/C, should be looked at in larger context of funding strategy for shared services in general
    - LC: that question is up to board to decide, shared services is allowed under the statue, will take upfront capital for this tool with GSA committed to being first users and economies of scale will

come after with other agencies, TMF is a good way to get this project started before 2020 so can bring on other users in 2020

- Maria: Similar feeling to Margie, Cap goal 5-how was funding not identified already for this?
- LC: PMA came out after decisions for 2019 budget were locked, takes time to come out with big initiatives, GSA does not have reserves to stand up a new services, which is what you would need in 2019, this project is about accelerating shared services, can create operating line standup could pay for itself with financing support not using valuable budgetary resources
- Ben: confirmed LC's comments, in 2019 budget planning shared services not part of it
- Confusion about funding- first approach is use TMF for cost outlined and if not selected for phrase 2 – would have to go back to drawing board, they don't have second plan if don't get TMF
- Margie: How much of their work with SAS is reusable?
- LC: About 16 million is reusable, basis of touchpoints are mainly reusable , investment for GSA and rest of federal government to be civil payroll provider for federal government, big outlay in year one on their current plan
- Charles: why is there such a big outlay in the first year? If 10 million is too high, why 20 million?
- LC: IF Funding part of the plan (2019 amount) and GSA would need to find money for other parts, closer to 16-17 million project
- Maria- This will help agencies that want to move faster-what's driving this?
- LC: They will be doing most of testing on one smaller group so don't overload users-another reason they want to start now
- Do we know how far along conversations are with other agencies?- LC: they had high-level meeting with USDA (interested in moving faster possibly)
- Ben: by passback, more clarity on 2020
- Margie: HRS/HR line of business residing in GSA, NewPay is one of the first micro services out of the gate, done as a process, everything will follow that process
- Rajive: Will other agencies move over? Costs?
- LC: Follow DOL example of getting signoff from visa partners, we want note from USDA leadership as supportive of this, costs mostly about configuring SAS product into other government systems like TSP and Treasury - that is a lot of the cost begin, can't move anyone onto the tool until touchpoints are set up
- Erwin: liked Rajive's suggestion-figuring out how much is appropriate for 2019 and then for 2020
- Ben: This is reasonable, lapsed balances, what would you do if you only had the 2019 figure?
- LC: Have we scrapped through every GSA resource available?-looking at that to bring additional 10 million to the project-for GSA's migration, this is only little pot of money available from balances from under executing internally but GSA does not have substantial working capital to stand out a new service and would need congressional approval in 2020 to use it, this team wants to start earlier than that and not extend payroll problems
- LC: If reverted, in the new year and or if Dec. 17th, if accept with conditions
- Grant: I have concerns with the funding numbers and timelines and movement of USDA users, along with concerns about support. OMB and GSA champion this, but this is not the point of the TMF. If this is a big administration priority they should find funding, very top-down driven compared to prior ones, optics concern, concerns about repayment
- Erwin: Overall, is this a good idea?
- Charles: I like the idea of using board to support shared services but feel like the decision has already been made to be GSA home to centralization efforts with NewPay, surprising that they would choose one with fewest numbers of customers and migrate users from the larger

systems-makes it more difficult, why GSA and not the other provider? Especially since GSA admits to being the least well-run in terms of cost

- M: I like trying to stand up shared services but 20 million is a lot from the fund and two projects from GSA
- M: The key component in this in terms of optics, need enough of an indication of paying the pathway for everyone else and reused and what could be saved by others that would follow if that were the case, then it's not just about these two agencies but the whole project, not well-conveyed in IPP
- Matt: do we know other agencies' per user cost? Is this as big of a problem at other agencies?
- Margie: varying level of user base in each, scalability
- LC: USDA in 130 dollars per user, this group's target is 100 per user including part of going to TMF and part going to the working capital fund-customer's rate goes in part to that and then no need for TMF/appropriations, 100 means everyone is saving money, can get more info from the team on that
- M: do we want to send the questions back?
- Questions to be answered: break down of costs and funding allocation? How far along these discussions are with users namely USDA?, Why are you moving NFC's users to GSA instead of staying at NFC? What currently is being charged per user? How can it be done in a complementary fashion, so the least amount of funding comes from the TMF with an emphasis on 2019? Does USDA or other providers have planned modernization efforts and plans for the future that would not require this 20 million project?

3. **Review of Template for Quarterly Updates**—Board (10 minutes)

- Projects would provide quarterly updates to the board with DOE and USDA on Nov. 19th and HUD on Nov. 26th
- Pulled template from quad chart used by USDA, will this template work for you, changes needed?-connection to funding down the road
- Slide 3/6 are mandatory meetings, run it like normal project management review (pmr)
- Charles: hard to envision it without something on it, let's give it a try
- Erwin: can teams give updates to the board a week ahead of time so they can give feedback to the teams before the actual update?
- LC: especially for first time, can't promise anything abut will send it as soon as possible and let teams know about questions
- Will send materials to board as soon as possible and feedback so teams are prepared for briefings

4. **October 22 Meeting Minutes Review and Approval**—Acting Chair (2 minutes)

- Meeting minutes approved as presented.

5. **Next Steps and Confirmation of Action Items**—Board (3 minutes)

- TMF PMO will draft notification letter.
- TMF PMO will work with teams on their quarterly updates to the Board.

6. **Adjourn**