One Washington

Summary

The State of Washington is creating a strategy and action plan, refining the business case, and assessing state agency readiness to replace the state's core financial systems with an Enterprise Resource Planning (ERP) solution.

February 12, 2014

Project Charter

Phase One Planning Charter

Project Statement

One Washington (the Project) is charged with building the business case and performing preliminary planning for the potential replacement of the state's core financial systems. Phase one will clarify the business case, articulate the value of moving to an Enterprise Resource Planning (ERP) system, and identify the resources necessary to execute the project and achieve the desired business value. Activities in this phase include: Formalizing the governance framework for this phase, conducting the readiness assessment, developing a strategy and action plan, and refining the business case to determine if the state's financial systems should be replaced with an ERP solution.

Background

The State of Washington is evaluating whether replacing the state's core financial systems with an ERP solution would provide business value. The scope of the systems replacement has yet to be finalized, but is expected to include at least:

- General ledger accounting, replacing the Agency Financial Reporting System (AFRS) and the Transportation Reporting and Accounting Information System (TRAINS)
- Procurement-to-pay cycle (e-procurement)
- Labor Distribution
- Accounts Receivable management
- Capital Asset accounting
- Cost Accounting
- Financial and management analytics and reporting

The state legislature has provided funds for phase one (implementation planning and preparation activities) for this modernization effort and this charter pertains only to this phase.

Phase One Vision

A reliable, valid and understandable business case will be created for replacing the state's core financial systems with an ERP and enabling business process transformation. By the end of this phase, the State will be able to articulate the implementation path, the level of effort required, and identify the readiness of the enterprise to achieve the outcomes. This phase will inform how best to proceed in subsequent phases of the project. Specific activities of this phase are outlined in detail in the Objectives section of this document.

During this planning phase, the Project will engage with affected stakeholders and continue the process of interacting with agencies that use the core financial systems. For this phase to be successful, the Project will focus on change management strategies, stakeholder engagement, and communications with all affected parties. A key role of the Project Management Office (PMO) is to provide consistent information and messaging over time across communication channels and deliverables.

Objectives

The planning phase objectives include:

1. Establish the Project Management Office (PMO). The state PMO will work under the direction of the executive sponsors and the project director to deliver on all intended outcomes of this Phase. Formalize the governance framework and decision making for Phase one.
2. Plan and execute the following project work streams:
    - Business case: Develop business case components and materials to brief policy makers on the options, risks, level of effort, costs, and benefits related to procuring and implementing a systems replacement.
    - Readiness: Perform assessment that represents agency and state readiness for an ERP implementation.
    - Strategy: Develop an implementation strategy and plan that includes a business process redesign approach, implementation phasing and timelines, change management approach, staffing strategy, and budget estimates and financing strategy.
    - Stakeholder Engagement: Frequently communicate with stakeholders throughout the planning phase and provide progress updates.
3. If the business case is adopted, develop and support the 2015-17 biennial budget package submittal and transition to the next phase of the project, which may include system procurement.

Scope

Phase one is a state-wide effort. As a result, the scope of this effort crosses agency areas of responsibility. The table below outlines what is in scope and out of scope.

| In Scope |
|---|
| The scope of work is specific to the assessment and planning phase only:
• Establishing and leading the PMO, including primary project management responsibility for planning, designing, developing, communicating, and implementating the project
• Providing oversight and coordination of all PMO activities
• Establishing a governance framework
• Executing stakeholder engagement and communications plans
• Conducting a statewide readiness assessment
• Developing an implementation strategy and action plan
• Identifying resource requirements for the next phase
• Refining the business case
• Developing and supporting the 2015-17 Biennial budget submittal if the business case is adopted |

Out of Scope
Subsequent phases are out of scope for this initial planning project including: • Procuring an ERP vendor • Defining detailed requirements • Implementing business transformations including systems, processes, and people

Schedule

The detailed project schedule is documented in the Project Management Plan (PMP). Below is a high level timeline of key milestones and deliverables.
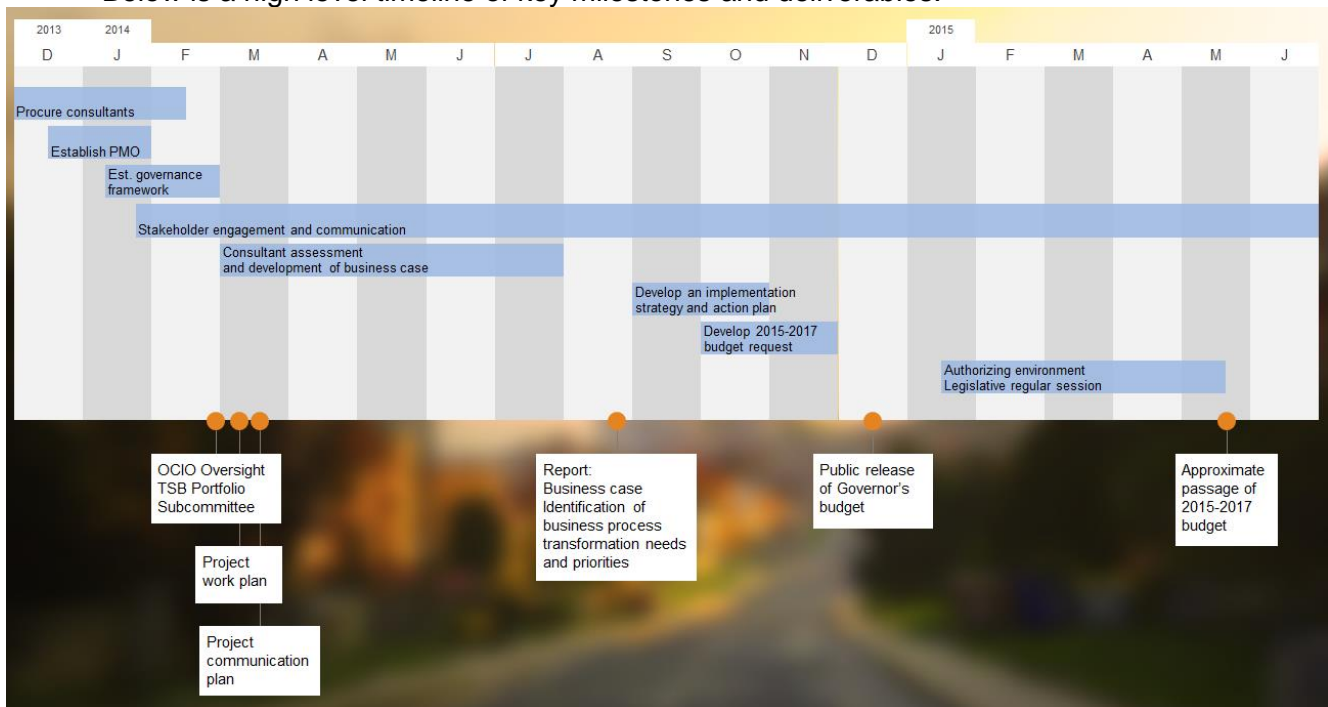
High Level Deliverables

The following are tangible and verifiable outcomes of work that satisfy the project objectives. Further details on project deliverables will be documented in the Project Management Plan.

Milestone	Deliverable
Project initiation	▪ Project Charter
Project planning	▪ Project Management Plan and work plan
Monitoring and reporting	▪ Monthly status report ▪ Quarterly assessments
Execution: Governance Framework	▪ Establish Governance Framework ▪ Roles and Responsibilities
Execution: Stakeholder Engagement	▪ Stakeholder Engagement plan ▪ Communications Plan
Execution: Readiness Assessment	▪ Readiness Assessment Plan ▪ Communications Plan ▪ Readiness Assessment Report
Execution: Implementation Strategy and Plan	▪ Implementation Strategy and Plan
Execution: Refined Business Case	▪ Refined Business Case ▪ Support for 2015-2017 budget request

Roles & Responsibilities

The following are roles and responsibilities for key groups leading the ERP Planning project.

Executive Sponsors
- Owns the project and champions the Project within the administration
- Sets the vision and the cultural compass for the Project
- Manages key executive relationships
- Makes policy decisions
- Manages high-level vendor relationships

Executive Steering Committee
- Offers perspective and insights
- Provides assistances with resources and support
- Prioritizes financial and administrative business initiatives and processes with statewide impact
- Recommends policies that support the strategic direction for the Project

State Project Director
- Directs agency activities around the project
- Clarifies objectives for the project
- Manages project scope and deflects demands
- Identifies key policy issues and facilitates development of policy recommendations
- Balances project commitment with operations
- Negotiates contract and service expectations
- Determines how to pace project and staff

Project Manager
- Directs the Project and all processes
- Controls execution of the Project Plan (Schedule, Scope, Budget)
- Monitors the effectiveness of stakeholder engagement and escalates stakeholder issues
- Determines completion of deliverables
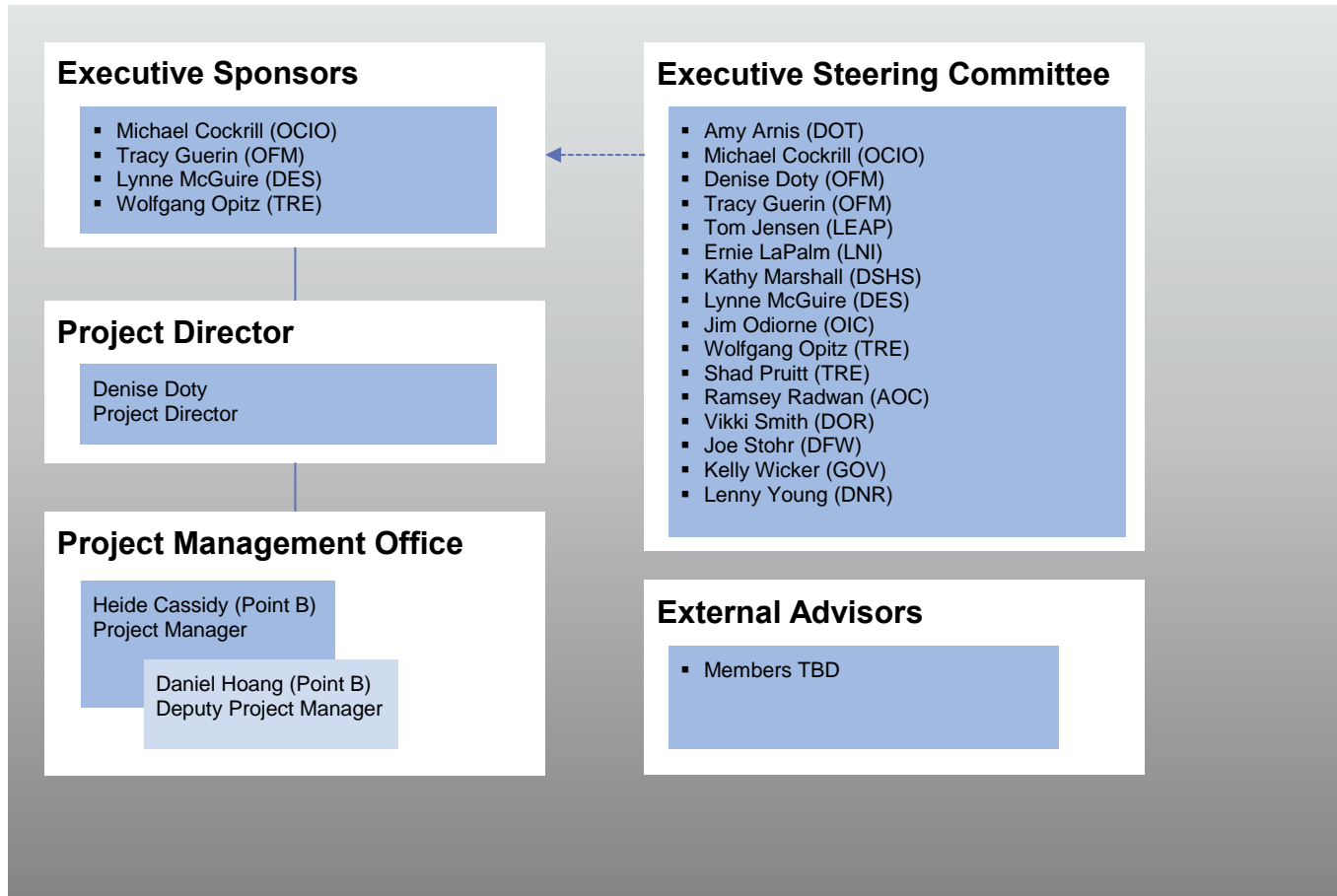- Identifies and analyzes issues for resolution

Deputy Project Manager
- Completes project deliverables
- Manages project schedule
- Resolves daily issues

ERP Assessment Contractor
- Completes deliverables as defined in the statement of work
- Develops and executes assessment plan in alignment with the stakeholder engagement plan
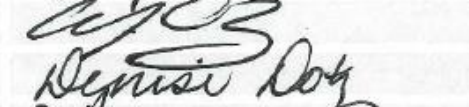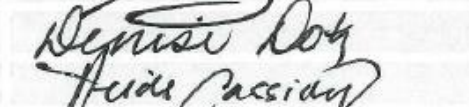
Governance

The following is the anticipated governance framework for the project. Additional details will be completed as part of the governance framework work stream and will be maintained in a separate document.

Executive Sponsors
- Michael Cockrill (OCIO)
- Tracy Guerin (OFM)
- Lynne McGuire (DES)
- Wolfgang Opitz (TRE)

Project Director

Denise Doty
Project Director

Project Management Office

Heide Cassidy (Point B)
Project Manager

Daniel Hoang (Point B)
Deputy Project Manager

Executive Steering Committee
- Amy Arnis (DOT)
- Michael Cockrill (OCIO)
- Denise Doty (OFM)
- Tracy Guerin (OFM)
- Tom Jensen (LEAP)
- Ernie LaPalm (LNI)
- Kathy Marshall (DSHS)
- Lynne McGuire (DES)
- Jim Odiorne (OIC)
- Wolfgang Opitz (TRE)
- Shad Pruitt (TRE)
- Ramsey Radwan (AOC)
- Vikki Smith (DOR)
- Joe Stohr (DFW)
- Kelly Wicker (GOV)
- Lenny Young (DNR)

External Advisors
- Members TBD

Project governance will be structured in a manner that encourages input and advice from as many individuals and organizations that are impacted by the financial systems replacement project. This level of engagement is designed with a change management approach.

Acceptance

We, the undersigned project members, have reviewed this document and approve its contents:

Name and Title	Signature	Date
Tracy Guerin (OFM)		2/12/14
Michael Cockrill (OCIO)		2/12/14
Lynne McGuire (DES)		2/12/14
Wolfgang Opitz (TRE)		2/12/14
Denise Doty (OFM)		2/12/14
Heide Cassidy (PMO)		2/12/14

Document Revision History

Version	Date	Description
1	2/5/2014	Initial draft for Sponsors' review.
2	2/12/2014	Final.