State of California

In Partnership With:

Department of Finance
State Controller's Office
State Treasurer's Office
Department of General Services

Financial Information System for California
Special Project Report (SPR)
Project # 8860-30

(SPR 5 – 2014-1-8) – January 8, 2014

TABLE OF CONTENTS

List of Tables

List of Figures

Executive Summary

The Financial Information System for California ("FI$Cal" or "System" when referring to the System; the "Project" when referring to the FI$Cal Project Team) began in 2005 as a Department of Finance Feasibility Study, and has grown into one of the largest and most dynamic information technology undertakings in the history of the State. The FI$Cal Project is on its way to delivering an Enterprise Resource Planning (ERP) system that provides an estimated $415 million in benefits to State operations annually per the Hackett Group benchmarking study.

It has been approximately 21 months since submittal (March 1, 2012) of Special Project Report (SPR) 4, and approximately 18 months since the contract with Accenture was executed (June 18, 2012). The FI$Cal Project successfully implemented its Pre-Wave functionality on July 1, 2013, and since then has been in the Design, Development and Implementation (DD&I) phase for Wave 1 functionality. Wave 1 is scheduled to be rolled out in July 2014.

This Project will integrate and significantly re-engineer the statewide business processes related to budgeting, accounting, cash management, and procurement, and it will embed more standardization, transparency, discipline, effectiveness, and efficiency in these crucial business processes. Once the system has been successfully designed, developed, and tested, a robust Change Management Program conducted throughout State government will contribute to the successful implementation of FI$Cal.

The Project is on schedule and within budget. Notwithstanding these facts, the Brown Administration and the FI$Cal Project Team recognize and appreciate the enormity, breadth, and depth of designing, developing, and implementing FI$Cal. FI$Cal will eventually impact all State departments and agencies. The Governor's Office is supportive of the Project's path as the collaborative effort of the FI$Cal Project implements an integrated financial management system for the State. In recognition of and as a demonstration of this support, the Governor appointed one of his senior advisors as the Executive Partner on the Project.

Since the contract with Accenture was executed, the State has become more familiar with the opportunities and challenges of the technical solution, Accenture methodology, and partner and department technical and organizational landscapes. Consequently, consistent with the scope of Pre-Wave, the Project began an effort to evaluate the departments planned for each future wave to ensure that the Project was best positioned for success in each wave.

Through this effort, the Project identified options for changes to the implementation approach to reduce the overall risk to FI$Cal's implementation based on the experience and knowledge gained from Pre-Wave and Wave 1 efforts. As a result of this evaluation effort, the Project Team, which includes the State's ERP Advisors, have determined that a proactive change is necessary to decrease Project risk and increase the probability of success in each FI$Cal wave. Acknowledging the increased risk that may occur in Wave 2 and implementing this schedule change now reduces the likelihood of encountering a crisis. The increased costs reflected in this SPR represent a fraction of the cost that would be required if changes were made in the midst of a crisis during later waves. SPR 5 is intended to communicate those recommended changes and seek approval to modify the current implementation approach.

Lessons Learned

As the Project has evolved and matured during the DD&I phase for Pre-Wave implementation and Wave 1 over the last 18 months, Project leadership has gained insight into how to best leverage the following lessons learned:

- Given the complexity of business process re-engineering and integration between the control agencies, the current schedule will benefit from additional time to design, build and implement the re-engineered business processes. The changes in control agencies impact every other department and agency, so that it is crucial to have the appropriate solution implemented and stabilized prior to rolling out the system to the majority of State departments and agencies.

- The success of the department deployments is heavily impacted by the successful deployment of control agency functions. By not having the control agency functions implemented and stabilized prior to bringing on the bulk of the departments, there is substantial risk of more impact to and rework for the departments.

- The control agency implementation efforts (including business process re-engineering, interfaces and conversions, testing, and training) will require greater dedicated resources, focus, and facilitation than originally envisioned. Minimizing the number of departments in earlier waves and allowing a focus on the control agencies in the earlier waves will significantly reduce the risk profile for each wave as well as the Project overall. This approach will also result in most departments receiving the full end-to-end departmental and control agency functions at once.

- The Project will also benefit from additional time to execute FI$Cal's rigorous testing of statewide control functions and to gain complete user acceptance.

- The departments will benefit from more time to design and implement their internal change management activities to complement the FI$Cal Change Management Program for the implementation.

- In recognition of the complexity of the interface and conversion landscape of the State, additional time will give the Project more opportunity to focus on departmental support in an area that has historically been difficult for large IT projects. The Project will use this time to ensure that interfaces and conversions are properly understood, designed, built, and tested to support the FI$Cal solution.

- The SPR 5 proposal allows current FI$Cal staff to focus on the departmental support needed, tailored for each wave. Through Pre-Wave and Wave 1 preparations, the Project has determined the need for greater support in the following areas: identifying change impacts from the current process to future state process; providing department-specific configuration values; completing end user system role mapping; and developing interfaces and conversions to support the FI$Cal solution. For Waves 2 and 3, Project staff will provide focused support for control agencies, the impacted departments, and final solution stabilization. Wave 4 allows the State to allocate skilled Project staff to the large number of departments in support of their FI$Cal implementation efforts.

When taking into account the lessons learned above, the size and complexity of Wave 2 became a clear focus. Wave 2 currently includes the implementation of SCO, STO, and DGS control agency functions and a number of departments, including some departments that are very large and complex. The currently planned implementation of DGS includes the replacement of the existing BidSync System that will represent a statewide rollout and training of procurement functionality for all existing users throughout California. The SCO and DGS control agency and procurement functions represent a substantial portion of the overall

functionality being deployed by FI$Cal. This functionality also includes some of the most complex re-engineering, system design, test, and training efforts the Project will implement.

Based on the Project's experience to date, the inclusion of this amount of functionality and complexity in Wave 2 along with department deployments is too risky to accomplish in a single wave. The SPR 5 proposes to focus on fewer major control agency functions in their respective waves, thereby reducing the complexity and risk of the affected wave.

Proposed Changes

Specific proposed changes in SPR 5 are presented below:

Control Agencies

- Shift SCO and STO control agency functions from Wave 2 to Wave 3. This will allow dedicated focus and attention on the DGS control agency and statewide procurement implementation during Wave 2.

- With the addition of SCO and STO to Wave 3, extend Wave 3 by six months to allow for go live at fiscal year-end, rather than mid-year as originally proposed. This change will allow dedicated focus and attention on the STO and the highly complex SCO control agency and Accounting Book of Record implementation. Simultaneously, more time will be available to identify, design, build, test, and implement the many complex interfaces between the SCO, deferred and exempt departments, and FI$Cal.

- SPR 5 proposes a scope increase by including the replacement of the DGS Activity-Based Management System (ABMS) with FI$Cal. DGS has been a partially deferred department. However, DGS's existing ERP has reached its end of life and is no longer supported by the Office of Technology Services Standards.

Departments

- Include Contracted Fiscal Services (CFS) to complete DGS functionality in Wave 2 along with the 50 CFS departments that are smaller and relatively less complex to provide the ability to design, build, test, implement, and stabilize specific department functionality before it is rolled out to larger departments in later waves. Also, include non-CFS departments that have unique procurement needs to ensure that the full breadth of procurement functionality is developed in Wave 2.

- Shift to Wave 4 all other departments currently planned for implementation in Wave 2 and Wave 3 so the Project may focus its attention on the control agency functions. Other than those discussed above, all other departments will be moved to the revised Wave 4.

- Delay Wave 4 go live from July 1, 2016 to July 1, 2017. This will allow the Project and departments to prepare for implementation for a full 24 months (starting July 1, 2015 and ending July 1, 2017). This delay also provides an additional year to simultaneously support these departments in their change management, process re-engineering, and interface and conversion work. (See chart in Section 3.4.3, Implementation Approach).

- SPR 5 includes a revised department list to recognize any adjustments necessary to accommodate California Government reorganization that occurred subsequent to SPR 4.

System

- Include the upgrade of the FI$Cal solution in Wave 3. This would allow the upgrade to occur prior to most of the departmental users being transitioned to the FI$Cal solution. This will significantly reduce the work of the upgrade, including the amount and cost of "retraining" that will need to be performed for departmental users already on FI$Cal.

In summary, SPR 5 proposes to change the implementation approach, which results in a 12-month extension of the Project schedule.

The changes proposed in SPR 5 result in a request of approximately $79.8 million: approximately $42.2 million for the twelve month extension of the DD&I Phase, and $37.6 million for the operation and maintenance (O&M) of FI$Cal. Note that O&M costs will be incurred with or without SPR 5. The FI$Cal Project cost estimate includes both prior year actual expenditures which reflect $24 million in savings for fiscal years 2011/12 and 2012/13, along with estimated future expenditures. This results in total Project costs of approximately $672.6 million in SPR 5, an increase of $55.8 million compared to the $616.8 million estimated in SPR 4.

The benefits of the proposed approach is a reduction of risk associated with the adoption of new budgeting, accounting, procurement, and cash management business processes.

The Project leadership made a commitment that they will be transparent and seek assistance early if the need for changes were identified. This commitment would not be upheld if Project leadership does not inform all partners, stakeholders, and the public at large in a timely manner of needed changes to ensure the success of the FI$Cal Project—even when those changes include additional time and funds, such as those proposed in this SPR.

1.0 Project Approval Transmittal

The FI$Cal Steering Committee Members by consensus decision approved this SPR on
January 8, 2014 .
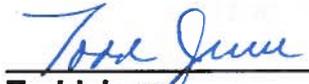
Todd Jerue
Chair
FI$Cal Steering Committee

Carlos Ramos
Department of Technology
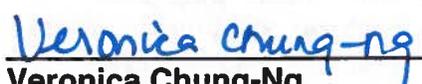
Veronica Chung-Ng
Program Budget Manager
Department of Finance

Karen Finn
Program Budget Manager
Department of Finance
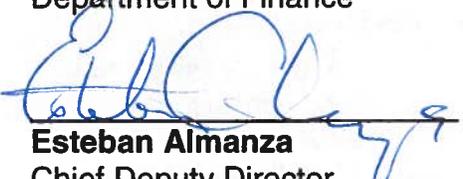
Esteban Almanza
Chief Deputy Director
Department of General Services
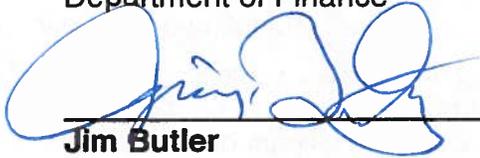
Jim Butler
Deputy Director
Procurement Division
Department of General Services
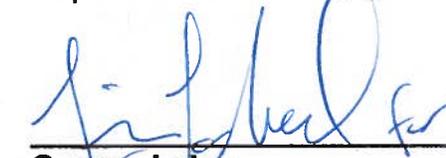
George Lolas
Chief Operating Officer
State Controller's Office
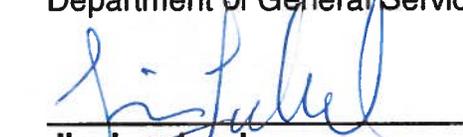
Jim Lombard
Chief Administrative Officer
State Controller's Office

Mark Hariri
Director, Centralized Treasury and
Securities Management
State Treasurer's Office

Jill O'Connell
Chair, Customer Impact Committee

FI$Cal Project Leadership SPR approval/concurrence:

Sue Johnsrud
Project Executive Partner
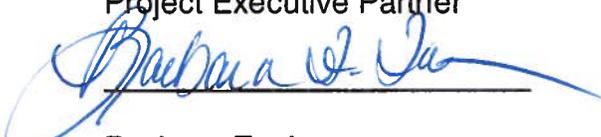
Barbara Taylor
Project Executive

Tamara Armstrong
Project Director

Information Technology Project Request

Special Project Report
Executive Approval Transmittal

Department Name

Department of Finance: In partnership with the State Controller's Office, State Treasurer's Office and Department of General Services

Project Title (maximum of 75 characters)	Project Acronym
Financial Information System for California	**FI$Cal**

FSR Project ID	FSR Approval Date	Department Priority	Agency Priority
8860-30	**7/26/05**	**1**	**N/A**

I am submitting the attached Special Project Report (SPR) in support of our request for the California Department of Technology's approval to continue development and/or implementation of this project.

I certify that the SPR was prepared in accordance with the State Administrative Manual Sections 4945-4945.2 and that the proposed project changes are consistent with our information management strategy as expressed in our current Agency Information Management Strategy (AIMS).

I have reviewed and agree with the information in the attached Special Project Report.

I also certify that the acquisition of the applicable information technology (IT) product(s) or service(s) required by my department that are subject to Government Code 11135 applying Section 508 of the Rehabilitation Act of 1973 as amended meets the requirements or qualifies for one or more exceptions (see following page).

APPROVAL SIGNATURES

Project Executive Partner	Date Signed
Printed name: Sue Johnsrud	1/9/14
Project –Director	Date Signed
Printed name: Tamara Armstrong	1/9/14
Project Executive	Date Signed
Printed name: Barbara Taylor	1-9-14
Chief Information Officer	Date Signed
Michael Stingl For David Duarte	1-9-14
Printed name: David Duarte	
Agency Secretary	Date Signed
N/A	

2.0 Information Technology: Project Summary Package

Submittal Date	**January 8, 2014**	Section 2.0 Project Summary Package

	FSR	SPR	PSP Only	Other:
Type of Document		X		
Project Number	8860-30			

		Estimated Project Dates	
		Start	**End**
Project Title	Financial Information System for California	8/2005	7/2017
Project Acronym	FI$Cal		

Submitting Department	Department of Finance
Reporting Agency	Department of Finance

Project Objectives

See Section 3.1.1 for the complete list of Project Objectives

(1) Replace the state's aging legacy financial management systems and eliminate fragmented and diverse reporting by implementing standardized financial management processes and systems across all departments and control agencies.
(2) Improve fiscal controls and support better decision making by state managers and the Legislature by enhancing the quality, timeliness, consistency, and accessibility of financial management information through the use of powerful data access tools, standardized data, and financial management reports.
(3) Improve access and transparency of California's financial management information allowing the implementation of increased auditing, compliance reporting, and fiscal accountability while sharing information between the public, the Legislature, external stakeholders, state, federal, and local agencies.

Major Milestones	Est Complete Date
DD&I Start	June 2012
Pre-Wave	July 2013
Wave 1	July 2014
Wave 2	July 2015
Wave 3	July 2016
Wave 4	July 2017
PIER	**July 2018**
Key Deliverables	
Project Work Plan	FY 2012-13
Training Deployment & Evaluation Plan	FY 2013-14
Service Desk Plan	FY 2013-14
Operational Readiness Test Complete (one per Wave)	FY 2014, 2015, 2016, 2017
Production Environment Transition	FY 2017-18

Project #	8860-30
Doc. Type	SPR

Executive Contacts								
	First Name	**Last Name**	**Area Code**	**Phone #**	**Ext.**	**Area Code**	**Fax #**	**E-mail**
Project Executive Partner	Sue	Johnsrud	916	576-5193		916	576-4832	Sue.Johnsrud@fiscal.ca.gov
Project Executive	Barbara	Taylor	916	576-4846		916	576-4832	Barbara.Taylor@fiscal.ca.gov
Project - Director	Tamara	Armstrong	916	576-5262		916	576-4832	Tamara.Armstrong@fiscal.ca.gov
CIO	David	Duarte	916	576-5083		916	576-4832	David.Duarte@fiscal.ca.gov
Project Sponsor	Todd	Jerue	916	445-4923				Todd.Jerue@dof.ca.gov

Direct Contacts								
	First Name	**Last Name**	**Area Code**	**Phone #**	**Ext.**	**Area Code**	**Fax #**	**E-mail**
Doc Prepared By	Michael	Muth	916	576-4842		916	576-4832	Michael.Muth@fiscal.ca.gov
Primary Contact	Tamara	Armstrong	916	576-5262		916	576-4832	Tamara.Armstrong@fiscal.ca.gov
Project Manager	Tamara	Armstrong	916	576-5262		916	576-4832	Tamara.Armstrong@fiscal.ca.gov

	What is the date of your current Operational Recovery Plan (ORP)?	**Date**	5/2013		Project #	8860-30
	What is the date of your current Agency Information Management Strategy (AIMS)?	**Date**	8/2005		Doc. Type	SPR
	For the proposed project, provide the page reference in your current AIMS and/or strategic business plan.	**Doc.**	8/2005			
		Page #	17,27			

		Yes	No
	Is the project reportable to Control Agencies?	X	
	If YES, CHECK all that apply:		
X	**The project involves a budget action.**		
X	**A new system development or acquisition that is specifically required by legislative mandate or is subject to special legislative review as specified in budget control language or other legislation.**		
X	**The estimated total development and acquisition cost exceeds the departmental cost threshold and the project does not meet the criteria of a desktop and mobile computing commodity expenditure (see SAM 4989 – 4989.3).**		
	The project meets a condition previously imposed by the Technology Agency.		

Project #	8860-30
Doc. Type	SPR

Budget Augmentation Required?							
No							
Yes	X	If YES, indicate fiscal year(s) and associated amount:					
	FV	2005/06-2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
		26,843	(1,081)	(3,969)	60,175	3,134	21,416	27,451
	FV	2016/17	2017/18	2018/19				
		(43,923)	(30,207)	(22,266)				

PROJECT COSTS (2005-06 THRU 2014-15)   ($ Thousands)

	Fiscal Year	2005/06-2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	SUBTOTAL
1	Fiscal Year	2005/06-2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	SUBTOTAL
2	One-Time Cost	$ 30,041	$ 25,762	$ 21,793	$ 66,432	$ 58,182	$ 65,507	$ 267,717
3	Continuing Costs	-	-	-	15,535	26,919	41,010	83,464
4	TOTAL PROJECT COSTS	$ 30,041	$ 25,762	$ 21,793	$ 81,968	$ 85,101	$ 106,517	$ 351,181

SOURCES OF FUNDING   ($ Thousands)

5	General Fund (001)	$ 13,177	$ 1,796	$ 1,924	$ -	$ -	$ -	$ 16,897
6	General Fund (011)	-	-	-	-	3,394	94,435	97,829
7	OTHER FUNDS (CSCRF)	-	-	1,425	2,433	2,869	3,186	9,914
8	Reimbursement	-	-	56	-	-	-	55.79
9	Redirections	3,198	-	-	-	-	-	3,198
10	NGCF (FI$Cal Internal Services Fund)	13,667	16,786	42	6,712	-	-	37,207
11	Special Fund	-	7,180	18,346	72,822	78,838	8,896	186,082
12	Federal Fund	-	-	-	-	-	-	-
13	TOTAL FUNDING	$ 30,041	$ 25,762	$ 21,793	$ 81,968	$ 85,101	$ 106,517	$ 351,181

INFORMATION TECHNOLOGY PROJECT SUMMARY
SECTION D: BUDGET INFORMATION

Project #	8860-30
Doc. Type	SPR

PROJECT COSTS (2015/16 THRU 2018-19)   ($ Thousands)

	Fiscal Year	2015/16	2016/17	2017/18	2018/19		TOTAL
1	Fiscal Year	2015/16	2016/17	2017/18	2018/19		TOTAL
2	One-Time Cost	$ 94,019	$ 50,854	$ 19,615	$ -		$ 432,205
3	Continuing Costs	39,950	39,192	40,223	37,572		240,400
4	TOTAL PROJECT COSTS	$ 133,968	$ 90,045	$ 59,838	$ 37,572		$ 672,605

SOURCES OF FUNDING   ($ Thousands)

		2015/16	2016/17	2017/18	2018/19		TOTAL
5	General Fund (001)	$ -	$ -	$ -	$ -		$ 16,897
6	General Fund (011)	108,557	78,998	40,905	25,638		351,926
7	OTHER FUNDS (CSCRF)	-	-	-	-		9,914
8	Reimbursement	-	-	-	-		55.79
9	Redirections	-	-	-	-		3,198
10	NGCF (FI$Cal Internal Services Fund)	-	-	-	-		37,207
11	Special Fund	25,412	11,048	18,933	11,934		253,408
12	Federal Fund	-	-	-	-		-
13	TOTAL FUNDING	$ 133,968	$ 90,045	$ 59,838	$ 37,572		$ 672,605

PROJECT FINANCIAL BENEFITS   ($ Thousands)

	Fiscal Year	2005/06-2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	Subtotal
14	Cost Savings / Avoidance	-	-	-	-	-	-	-
15	Revenue Increase	-	-	-	-	-	-	-

	Fiscal Year	2015/16	2016/17	2017/18	2018/19			TOTAL
16	Cost Savings / Avoidance	-	-	-	-			-
17	Revenue Increase	-	-	-	-			-

* FI$CAL anticipates receiving Federal Reimbursement for approximately 10 percent of the development costs when the Project enters the Operations and Maintenance Phase.

INFORMATION TECHNOLOGY PROJECT SUMMARY
SECTION E: VENDOR BUDGET

Vendor Cost for SPR Development (if applicable)	N/A
Vendor Name	N/A

Project #	8860-30
Doc. Type	SPR

VENDOR PROJECT BUDGET   (whole dollars)

	Fiscal Year	2005/06-2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	SUBTOTAL
1.	Fiscal Year	2005/06-2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	SUBTOTAL
2.	Primary Vendor Budget	-	-	-	43,183,121	26,219,313	45,326,600	114,729,034
3.	Project Management Budget	1,671,288	1,220,882	1,047,234	842,456	940,000	500,000	6,221,860
4.	Independent Oversight Budget	411,679	340,000	196,517	174,417	424,400	447,000	1,994,013
5.	IV&V Budget	861,054	566,896	482,942	936,000	1,000,000	1,000,000	4,846,892
6.	Other Budget	5,486,867	6,808,434	3,382,542	5,067,937	9,369,710	11,667,693	41,783,183
7.	TOTAL VENDOR COSTS	$8,430,888	$8,936,212	$5,109,235	$50,203,931	$37,953,423	$58,941,293	169,574,982

	Fiscal Year	2015/16	2016/17	2017/18	2018/19			TOTAL
1.	Fiscal Year	2015/16	2016/17	2017/18	2018/19			TOTAL
2.	Primary Vendor Budget	69,178,604	38,632,846	3,445,836	-			225,986,320
3.	Project Management Budget	500,000	500,000	500,000	-			7,721,860
4.	Independent Oversight Budget	424,400	424,400	424,400	-			3,267,213
5.	IV&V Budget	1,000,000	1,000,000	1,000,000	-			7,846,892
6.	Other Budget	15,316,682	3,083,602	6,962,265	9,172,663			76,318,395
7.	TOTAL VENDOR COSTS	$86,419,686	$43,640,848	$12,332,501	$9,172,663			$321,140,680

--(Applies to SPR only)--

PRIMARY VENDOR HISTORY SPECIFIC TO THIS PROJECT

8.	Primary Vendor	Accenture, LLP
9.	Contract Start Date	June 18, 2012
10.	Contract End Date (projected)	November 1, 2017
11.	Amount	$225,986,320

PRIMARY VENDOR HISTORY SPECIFIC TO THIS PROJECT

	Vendor	First Name	Last Name	Phone # (with area Code)	Extension	Fax # (with area Code)	E-mail
12.	N/A						
13.	N/A						
14.	N/A						

3.0 Proposed Project Changes

No changes have been made to Sections 3.1, Project Background/Summary, through Section 3.1.3.4, Non-Quantifiable Benefits.

3.2   Project Status

The Project has made significant progress since the approval of SPR 4 in March 2012. Accenture LLP, FI$Cal's System Integrator, began work on the Project in June 2012.
The Project deployed Pre-Wave (the first of five implementation waves) in July 2013.

Pre-Wave deployed integrated requisitioning, purchase order, and receiving functionality utilizing electronic workflow to a sub-set of Wave 1 departments that demonstrate automation benefits to the State. Beyond the system functionality of Pre-Wave, and of utmost importance and value, was that Pre-Wave provided the Project team the opportunity to become familiar with: 1) the proposed technical solution; 2) Partner and departmental technical and organizational landscapes; and 3) Accenture methodology through the entire implementation lifecycle of analyze, design, build, test, and implement. Further, the FI$Cal Service Center (FSC) was established to support Pre-Wave end users.

The Project has completed several key project activities since it entered the DD&I phase. These activities led to the successful establishment of the FI$Cal infrastructure and deployment of Pre-Wave functionality and establishment of the FI$Cal Service Center.

Key accomplishments include the following:

- Change Management:

  - Quarterly FI$Cal Forums. These forums provide State employees from all departments to learn more about FI$Cal and its status at each quarter.

  - Bi-Monthly Customer Impact Committee, Change Champion Network, and Department Liaison Meetings. These meetings offer departments the opportunity to engage with each other and the Project to share new information and experiences with implementation.

  - Bi-Weekly Departmental Outreach Meetings, Monthly Sponsor Briefings, Workshops (Business Process, Role Mapping, Change), and End User Training for Pre-Wave and Wave 1.

- Business Transformation:

  - Completed business process re-engineering design efforts including requirement refinement through Business Process Re-engineering Sessions and Conference Room Pilots to produce the functional and configuration design documents.

  - Established the statewide Vendor Management File (VMF) for Pre-Wave with approximately 300 vendors. This represents the first steps in developing a single vendor file for all State departments.

  - Started vendor conversion activities for Wave 1 departments to move them to the Vendor Management File.

- Completed system build activities for Pre-Wave. Began finalization of system build activities for Wave 1.

- Completed functional and user acceptance testing (UAT) for Pre-Wave. Started Wave 1 functional testing as the beginning of the Project's rigorous testing process that will go from November 2013 until June 2014 for Wave 1.

- Designed the new statewide Chart of Accounts (COA). Began to finalize the COA values with departments for Wave 1 implementation.

- Conversion and Interfaces:

  - Completed Legacy Systems data collection, analysis, cleansing, and conversion for Pre-Wave. Began cleansing and conversion for the first of five mock conversions before the final conversion for Wave 1.

  - Completed build and unit test of Reports, Interfaces, Conversions, Extensions, and Forms (RICEF) objects for Pre-Wave. Began system build and unit test activities for Wave 1.

  - Completed selection of the Legacy Systems and Support Services vendor. This vendor will provide expertise and support services to assist departments in legacy systems identification, artifacts collection, data analysis, legacy systems disposition, legacy systems interface development and enhancement, data cleansing, data extraction, conversion, and migration of legacy systems data into FI$Cal.

- Infrastructure and Technical Architecture:

  - Completed technical architecture designs and planning for environments, disaster recovery, performance test, capacity management, and security configurations.

  - Established technical infrastructure architecture at Vacaville and Gold Camp data centers.

  - Completed FI$Cal system design environments for Pre-Wave and Wave 1.

  - Built production FI$Cal system for Pre-Wave environment. Started Wave 1 production environment build.

  - Completed Pre-Wave technical architecture testing. Began Wave 1 technical testing.

- Project Governance:

  - Established the Operational Decision Making Framework (ODMF). The ODMF provides the FI$Cal Project Team with a standard and structured approach for making Project-related decisions. This approach empowers Project team members at the lower levels of the Project organization to be decision makers and prevents decisions from being escalated unnecessarily. The ODMF process requires that all decisions be documented in a central repository for historical reference purposes.

  - Hired IBM as the Project's ERP Advisors to provide support, assistance, and guidance to the State and ensure that FI$Cal continues to employ ERP best practices. SPR 5 proposes retaining these advisors through final implementation.

  - Hired Eclipse Solutions to provide Independent Validation and Verification (IV&V) support. SPR 5 proposes retaining these advisors through final implementation.

  - Chartered the FI$Cal Service Center (FSC) to provide the ongoing operations and maintenance, customer service and support, and internal administrative services for the

FI$Cal production environment. The FSC began operations in July 2013 with Pre-Wave go live.

- ▪ Fulfilled the Department of Technology SPR 4 requirements to establish both a data governance plan and an overall Project governance plan.

- ▪ Added an Executive Partner to the FI$Cal Leadership Team, as appointed by the Governor's Office.

3.3   Reason for Proposed Changes

Consistent with the scope of Pre-Wave, the Project began an effort to evaluate the departments planned for each future wave to ensure that the Project was best positioned for success in each wave. Since the contract with Accenture was executed, the State has become more familiar with the opportunities and challenges of the proposed technical solution, Accenture methodology, and partner and departments' technical and organizational landscapes. This evaluation effort was performed in the context of these opportunities and challenges, and was translated into the following lessons learned:

- Given the complexity of business process re-engineering and integration between the control agencies, the current schedule will benefit from additional time to design, build, and implement the re-engineered business processes. The changes in control agencies impact every other department and agency, making it crucial to have the appropriate solution implemented and stabilized.

- The success of the department deployments is heavily impacted by the successful deployment of control agency functions. There is substantial risk of more impact and rework to the departments by not having the control agency functions implemented and stabilized prior to bringing on the bulk of the departments.

- The control agency implementation efforts (including business process re-engineering, interfaces and conversions, testing, and training) will require greater dedicated resources, focus, and facilitation than originally envisioned. Therefore, minimizing the amount of departments in earlier waves, and allowing a focus on the control agencies in the earlier waves will significantly reduce the risk profile for each wave as well as the Project overall. This approach also results in departments receiving the full end-to-end departmental and control agency functions at once.

- The Project will also benefit from additional time to execute the FI$Cal Project's rigorous testing of statewide control functions and gain complete user acceptance.

- The departments will benefit from more time to design and implement their internal change management activities to complement the FI$Cal Change Management Program for the implementation.

- Additional opportunities for knowledge transfer will allow the State to build skilled resources during early waves to apply to future waves, increasing ownership and knowledge transfer. This will allow the State to allocate those skilled resources to the large number of departments in Wave 4.

- In recognition of the complexity of the interface and conversion landscape of the State of California, the additional time gives the Project more opportunity to focus on departmental support in an area that has historically been difficult for large IT projects. The Project will use this time to ensure that interfaces and conversions are properly understood, designed, built, and tested to support the FI$Cal solution.

When taking into account the lessons learned above, the size and complexity of Wave 2 became a clear focus. Wave 2 currently includes the implementation of SCO, STO, and DGS control agency functions and a number of departments, including some departments that are very large and complex. The currently planned implementation of DGS includes the replacement of the existing BidSync System, which will represent a statewide rollout and training of procurement functionality for all existing users throughout California. The SCO and DGS control agency and statewide procurement functions represent a substantial portion of the overall functionality being deployed by FI$Cal. This functionality also includes some of the most complex business re-engineering, system design, test, and training efforts the Project will implement. Based on the Project's experience to date, the inclusion of this amount of functionality and complexity in Wave 2 along with department deployments is too risky to undertake in a single wave.

Through this effort, the Project identified options for changes to the implementation approach to reduce the overall risk to FI$Cal's implementation based on the experience and knowledge gained from Pre-Wave and Wave 1 efforts. As a result of this evaluation effort, the Project Team, including the ERP Advisors, have determined that a proactive change is necessary to decrease Project risk and increase the probability of success in each FI$Cal wave.

The current System Integrator contract requires Accenture to provide a software upgrade before their contract expires in order to ensure FI$Cal is on the most recent version. At the time of contract signing, the PeopleSoft schedule for their version releases was not known. In 2013, a new version of PeopleSoft was released. The Project's evaluation efforts provided the appropriate opportunity to consider the timing of implementing the software upgrade to the current version of PeopleSoft for two purposes: 1) to minimize cost for rework and retraining; and 2) to ensure the Project has the most current software versions. Rework and retraining will be minimized as the result of implementing the control agencies and the FI$Cal solution upgrade prior to deployment to the majority of State departments and agencies. Including the upgrade of the FI$Cal solution in Wave 3 would allow the upgrade to occur prior to most of the departmental users being transitioned to the FI$Cal solution. This will significantly reduce the work of the upgrade, including the amount and cost of "retraining" that will need to be performed for departmental users already on FI$Cal. This action does not change the year in which the funding was proposed in SPR 4, instead it remains budgeted in fiscal year 2015/16 and 2016/17.

In summary, the Project Team has determined that a proactive change is necessary to decrease Project risk and increase the probability of success in each FI$Cal wave. Acknowledging the increased risk that might occur in Wave 2 and implementing this schedule change now reduces the likelihood of encountering a crisis. The increased costs reflected in this SPR represent a fraction of the cost that will be required if changes are made in the midst of a crisis during later waves. This SPR is intended to communicate those recommended changes and seek approval to modify the current implementation approach.

Additionally, SPR 5 includes the adjustments necessary to accommodate California Government organization structure changes which occurred subsequent to SPR 4.

3.4   Proposed Project Changes

The selected implementation approach is described below.

3.4.1   Impact of the Proposed Change

3.4.1.1   Scope

SPR 5 proposes a scope increase by including the replacement of the DGS ABMS with FI$Cal. DGS has been a partially deferred department. The DGS Control Agency procurement functions were already included in the FI$Cal Project as defined in SPR 4.

DGS's existing ERP infrastructure, including hardware, operating system, database, and application software have all reached end of life and are no longer supported by the Office of Technology Services standards. Additionally, DGS has identified additional functionality that is needed to support its business operations. In order to maintain compliance with the moratorium on system upgrades detailed in BL 08-05 and avoid further investments into this aging system, DGS has requested to include ABMS in the same wave that it's control functions will be implemented, Wave 2. This will save the State approximately $2M per year in ABMS support costs and avoid FI$Cal's investment in temporary interfaces to the ABMS system in Wave 2.

The planning efforts for SPR 5 also provided the appropriate opportunity to formally schedule the upgrade to the FI$Cal solution. The upgrade was always a requirement of the FI$Cal Project and SPR 4 included funds to cover the System Integrator's portion of an upgrade. However, the timing was not defined in SPR 4 (it was assumed in SPR 4 to be post final implementation). It is necessary and prudent that at the time of project completion, the FI$Cal solution be as up to date as possible with its ERP releases.

3.4.2.2   Schedule

Due to the proposed changes to the implementation approach, the Project schedule will change. The Project schedule will be extended 12 months. The upgrade to the latest version of the FI$Cal solution will go live in Wave 3. Also, the schedule for when departments will implement FI$Cal will change (See Section 3.4.3, Implementation Approach).

SPR 5 proposes to include additional time in each respective wave, thereby reducing the risk associated with the implementation of new budgeting, accounting, procurement, and cash management business processes. The proposed go live dates are detailed in the chart in Section 3.4.3, Implementation Approach, below.

3.4.3   Implementation Approach

The implementation approach proposed in SPR 5 maintains a waved implementation approach, consistent with the strategy proposed in SPR 4. The implementation approach and go live dates for Pre-Wave and Wave 1 remain unchanged.

The proposed SPR 5 implementation approach uses a phased rollout of functionality and departments over a series of five go lives, over a period of five years. The charts below represent the SPR 4 implementation schedule versus the schedule proposed in
SPR 5.

Figure 1. Implementation Schedule
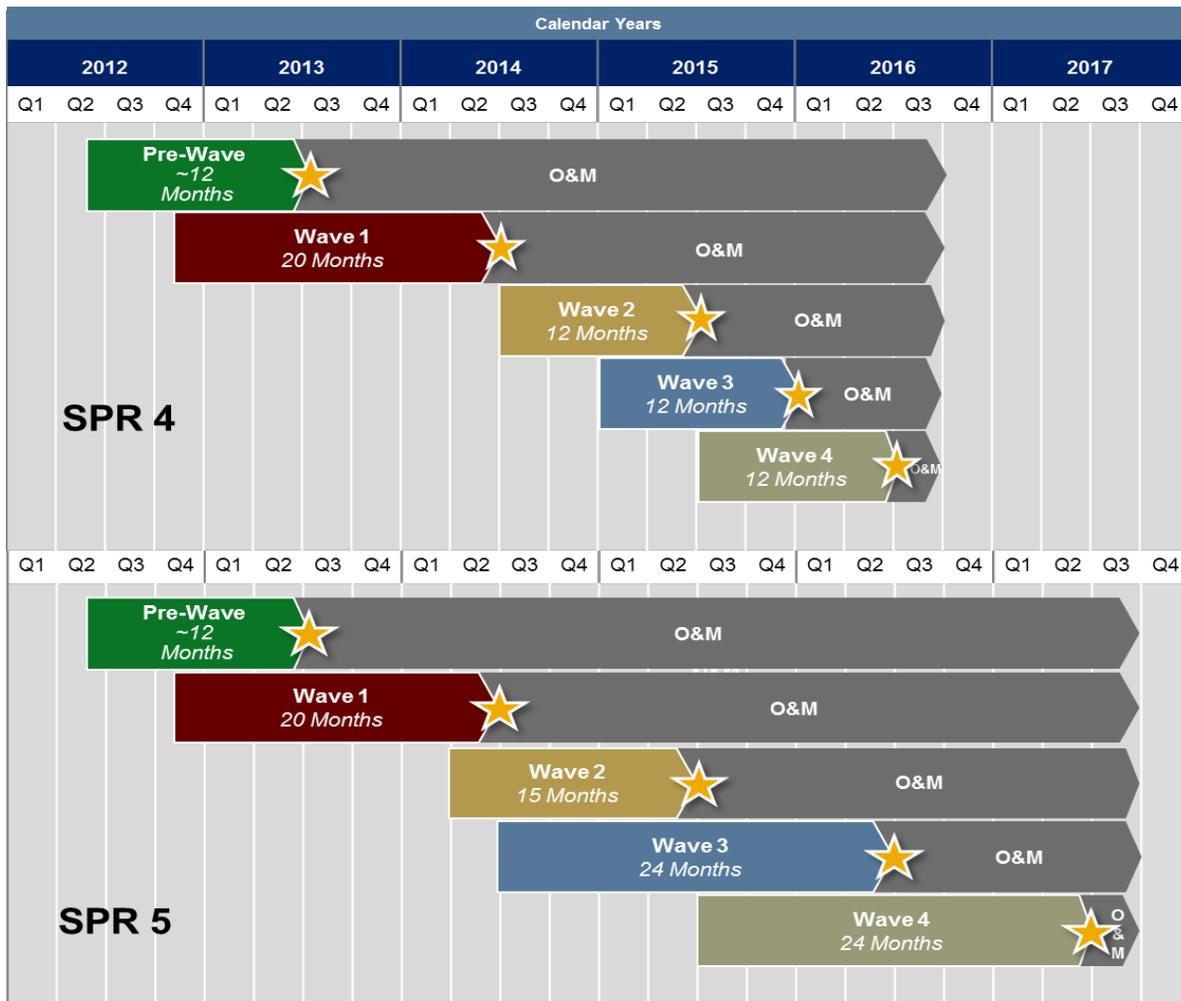
[Appendix A, Departments By Wave (](#)rollout) contains a listing of all the departments alphabetically by wave. Additional detail regarding each wave is presented in Section 3.4.3.1 below.

3.4.3.1   *Implementation Waves*

The implementation approach includes a planning phase (the Pre-Wave), followed by four implementation waves, for a total of five waves. Each wave is described below as reflected in the SPR 5 portion of [Figure 1](#) above.

Pre-Wave (Complete as Planned)

Wave 1

This SPR has no impact on Wave 1. However, depending on the resource needs of the Project and the Department of Finance, certain budget functionality may be rolled out in an incremental method as needed for budget development. If this became absolutely necessary, it would have little impact on the budget process since there is certain budget functionality that is not operationally required on July 1

Wave 2

SPR 5 proposes the implementation changes below that will significantly increase the potential for a successful Wave 2 implementation.

- Decrease the size and scope of Wave 2. Move SCO and STO to Wave 3. This will allow dedicated focus and attention on the DGS control agency and state-wide procurement implementation during Wave 2, while simultaneously allowing more time for the SCO control functions deployment in Wave 3. The SCO control functions include identify, design, build, test, and implement the many complex interfaces between the SCO and FI$Cal.

- Significantly reduce the number of departments currently planned to be implemented in Wave 2 and Wave 3 so that the Project may focus its attention on the control agency functions for each respective wave. (Departments no longer in Wave 2 and Wave 3 will move to the revised Wave 4 except for the following departments.)

    - Include Contracted Fiscal Services (CFS) to complete DGS functionality in Wave 2 along with the 50 CFS departments that are smaller and relatively less complex to provide the ability to design, build, test, implement, and stabilize specific department functionality before it is rolled out to larger departments in later waves.

    - Include non-CFS departments that have unique procurement needs to ensure that the full breadth of procurement functionality is developed in Wave 2.This provides the ability to design, build, test, implement, and stabilize department functionality before it is rolled out to larger departments in later waves.

- Keep the Department of Consumer Affairs (DCA) in Wave 2 for procurement functionality and leave all other functionality for DCA in Wave 4. The reason for this change is that FI$Cal is scheduled to become the Procurement Book of Record for the State and to replace all BidSync functionality in Wave 2. DCA uses BidSync for its complete end-to-end requisition to purchase order functionality. Therefore, DCA's procurement functionality needs to remain in Wave 2. Accordingly, during Wave 2, DCA will need to convert their purchasing data into FI$Cal and acquire software licenses to create requisitions, purchase orders, solicitations, bid evaluations, and all other items associated with the procurement process.

- SPR 5 proposes a scope increase by including the replacement of the DGS Activity-Based Management System (ABMS) with FI$Cal. DGS has been a partially deferred department.

As a result, Wave 2 continues the rollout of functionality by deploying statewide control functions for the DGS Partner Agency including transition to FI$Cal as the Procurement System of Record. As mentioned above, FI$Cal will replace BidSync. All users statewide will use FI$Cal for the following activities:

- Search for small business (SB) and disabled veteran business enterprise (DVBE) vendors and leveraged procurement agreements (for example, California Multiple Award Schedules (CMAS), Master Service Agreements (MSA), and statewide contracts.

- Advertise their contract solicitations in FI$Cal.

- Rely on FI$Cal to push a link for the advertisements to bidders registered to be notified when specific commodity codes are advertised.

- Post to FI$Cal their notices of intent to award and the award of their contracts.

In addition, vendor records for all departments, including deferred and exempt departments, will be integrated into the statewide VMF in FI$Cal in Wave 2.

Wave 3

SPR 5 proposes the implementation changes below that will significantly increase the potential for a successful Wave 3 implementation.

- Add SCO and STO control functionality to Wave 3, and extend Wave 3 by six months to allow for go live at fiscal year-end. This change will allow dedicated focus and attention on the STO and the highly complex SCO control agency and Accounting Book of Record implementation, while simultaneously allowing more time to identify, design, build, test, and implement the many complex interfaces between FI$Cal control agencies and deferred and exempt departments.

- Significantly reduce the number of departments currently planned to be implemented in Wave 2 and Wave 3 so that the Project may focus its attention on the control agency functions. Departments originally planned for Wave 2 and 3 will be moved to the revised Wave 4.

- Include the upgrade of the FI$Cal solution in Wave 3. This will allow the upgrade to occur prior to most of the departmental users being transitioned to FI$Cal. This will also significantly reduce the work of the upgrade, including the amount and cost of "retraining" that has to be performed for departmental users already using FI$Cal.

As a result, Wave 3 continues the rollout of functionality by deploying statewide control functions for SCO and STO, including transition to FI$Cal as the General Ledger Book of Record, and cash management control functions.

Wave 4

SPR 5 proposes the implementation changes below that will significantly increase the potential for a successful Wave 4 implementation.

- Include the departments shifted from Wave 2 and Wave 3 into Wave 4.

- Move Wave 4 go live from July 1, 2016 to July 1, 2017. This move will provide the departments and the Project a full 24 months to prepare for the implementation, which starts July 1, 2015 and ends July 1, 2017. This move provides an additional year to simultaneously support the remaining departments in their change management, process re-engineering, and interface and conversion work. (See Figure 1, Implementation Schedule.)

This wave expands the proven functionality to all remaining in-scope departments and establishes the public Transparency Website.

Although not a distinct wave, Operations and Maintenance (O&M) services and service level agreements associated with the base O&M contract term start once Wave 1 goes live and continues through final system acceptance. After that time, the State may opt to start the O&M services. (See Figure 1, Implementation Schedule.)

3.4.3.2   *Costs*

With the changes proposed in SPR 5, the total Project cost is estimated at $672.6 million. The cost includes prior Planning and Procurement Phases through implementation and the first year of operations and maintenance. The cost represents an increase of approximately $55.8 million from the total costs identified in SPR 4. (See the Economic Analysis Worksheets (EAWs) in Section 6.0).

3.4.3.3   FI$Cal Feasible Alternatives/Options Considered (Added Section)

The Project considered a total of seven options, including the current implementation approach (Option 1). None of the options assume a change to the implementation scope for Wave 1 that goes live July 1, 2014. Additional departmental functionality currently proposed for Wave 2 to complete the Wave 1 department implementation is still planned to be released in July 2015 for all options.

Analysis Methodology

To compare the relative complexity associated with each option, the Project performed an analysis of the key factors that drive effort and risk in each of the following Project teams:

- Business
- Technical
- Change Management
- FI$Cal Service Center

The following factors were considered:

- Number of departments in a wave by size and functions (control, big, average, client)
- Number of training courses to be developed by wave
- Number of users by wave to be trained
- Number of interfaces by wave (engines and point-to-point transformations)
- Number of conversions by wave (engines and point-to-point transformations)
- Number of end- o-end processes supported by wave and impact on O&M
- Number of months in each wave (dedicated vs. concurrent with other waves)

The table below describes each option at a summary level including associated go live timeframes.

Option	Summary
Option 1	**No change in implementation approach:** Control and departmental functions for SCO, STO and other large departments (including Wave 1 departments) go live in Wave 2 (July 2015), remaining departments split between Wave 3 (Jan 2016) and Wave 4 (July 2016).
Option 2	**Add DGS to Wave 2, all departments in Wave 3:** Control and departmental functions for SCO, STO, and DGS in Wave 2 (July 2015), move all remaining departments out to fiscal year-end conversion in Wave 3 (July 2016).
Option 3	**Add DGS to Wave 2, departments split between Wave 3 and 4, extend project 1 year:** Control and departmental functions for SCO, STO, DGS in Wave 2 (July 2015), move other departments out to fiscal year-end conversions in Wave 3 (July 2016) and Wave 4 (July 2017).
Option 4	**Add DGS to Wave 3, all departments in Wave 4, extend project 1 year:** Release remaining departmental functionality for Wave 1 departments, control functions and department functions for SCO, STO in Wave 2 (July 2015), DGS control and department functions in Wave 3 (July 2016), move all other departments out to Wave 4 (July 2017).

Option	Summary
Option 5	**Move Wave 2 control functions to Wave 3, all departments in Wave 4, extend project 1 year:** Release remaining departmental functionality in Wave 2 (July 2015), Control functions for SCO, STO, DGS in Wave 3 (July 2016), move all remaining departments out to fiscal year end conversion in Wave 4 (July 2017).
Option 6	**All DGS in Wave 2, SCO and STO control functions in Wave 3, departments split in Wave 4 and Wave 5, extend project 1.5 years:** Release remaining departmental functionality, DGS control and departmental functions, and CFS departments in Wave 2 (July 2015), SCO and STO control functions in Wave 3 (July 2016), move remaining departments to Wave 4 (July 2017) and Wave 5 (Jan 2018).
Option 7	**All DGS in Wave 2, SCO and STO Control Functions in Wave 3, all departments in Wave 4, extend project 1 year:** Release remaining departmental functionality, DGS control and departmental functions, and CFS departments in Wave 2 (July 2015), SCO and STO control functions in Wave 3 (July 2016), move all remaining departments out to fiscal year- end conversion in Wave 4 (July 2017).

The timeline in Figure 2 illustrates the duration of each wave within each of the options considered:

Figure 2. Wave Timelines By Option

	2013		2014				2015				2016				2017				2018	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Option 1																				
Wave 1	DOF + Dept functions																			
Wave 2					All Control functions															
Wave 3							Dept													
Wave 4									Dept											
Option 2																				
Wave 1	DOF + Dept functions																			
Wave 2					All Control functions + DGS															
Wave 3								Dept												
Wave 4																				
Option 3																				
Wave 1	DOF + Dept functions																			
Wave 2					All Control functions + DGS															
Wave 3								Dept												
Wave 4								Dept + Upgrade												
Option 4																				
Wave 1	DOF + Dept functions																			
Wave 2					SCO/STO Control functions															
Wave 3						DGS														
Wave 4								Dept + Upgrade												
Option 5																				
Wave 1	DOF + Dept functions																			
Wave 2					More Dept functions															
Wave 3					All Control functions + Upgrade															
Wave 4									Dept											
Option 6																				
Wave 1	DOF + Dept functions																			
Wave 2					All DGS + More Dept functions															
Wave 3							SCO/STO Control functions + Upgrade													
Wave 4									Dept											
Wave 5									Dept											
Option 7																				
Wave 1	DOF + Dept functions																			
Wave 2					All DGS + More Dept functions															
Wave 3						All Control functions + Upgrade														
Wave 4								Dept												

Legend: ▢ Implementation   ▢ Post Production Support

Recommended Option

The project recommends Option 7 based on the guidelines of reducing risk, control agency overlap, change in overall Project schedule, and Project cost. Further, Option 7 is supported by the Project's ERP Advisors.

3.4.3.4   Changes in Proposed Staffing Levels

In SPR 4 the Project staffing peaked at 304 positions. SPR 5 estimates that Project staffing will peak at 294 positions. Position changes between the staffing peak in SPR 4 and SPR 5 include position adjustments related to Workforce Cap and Salary Savings adjustments for both the Project and our Partners.

Program Staff: Consistent with SPR 4, the Project approach is to engage staff from departments during the implementation by using a Subject Matter Expert (SME) model where department staff will be engaged on a part-time basis as needed.

3.4.3.5   Revised Funding/Costs

SPR5 proposes changes to how and when FI$Cal functionality is deployed. These changes will result in cost shifts between fiscal years and/or cost increases relating to System Integrator staffing, State staffing, hardware, software, licenses, and maintenance fees. The changes proposed result in a request of approximately $79.8 million: approximately $42.2 million for the twelve month extension of the DD&I Phase, and $37.6 million for the operation and maintenance (O&M). The revised project costs include:

- Personal Services – increases approximately $36 million due to a continuation of the 2014/15 staffing levels for an additional 12 months

- System Integrator Contract – increases approximately $14million to extend contract by 12 months and add DGS to Wave 2

- OE&E – increases by approximately $29 million due to a continuation of the 2015/16 OE&E levels into 2017/18 and adding an additional 12 months

- Various software license changes including the addition of DGS ABMS users and the anticipated purchase some enterprise licenses

- Extending supporting contracts for 12 months.

The FI$Cal Project cost estimate includes both prior year actual expenditures and estimated future expenditures. This results in total Project costs of approximately $672.6 million in SPR 5.

SPR 5 cost estimates are based upon the System Integrator contract requirements. Our Accenture contract requires a minimum 90-day stabilization period after go live before we can fully accept the system. At full system acceptance, the State will then take over the maintenance and operation of the system in the FI$Cal Service Center.   In order to ensure that the State has sufficient resources through the implementation of Wave 4, then continuing through that critical stabilization period, and the transition to a fully State run service center we have proposed keeping the staffing levels steady and extending our support contracts during this transition. Retention of staff at the end of the DDI phase will already be a significant challenge as people begin to seek other opportunities. Any efforts to begin the process of staff reduction prior to the Wave 4 go live would significantly increase the risk of a successful Wave 4.

The estimated SI cost from SPR 4 was $616.8 million. This amount has been updated with the SPR 5 proposed cost of Accenture $226.0 million.

3.4.4   Accessibility

No changes have been made to this section.

3.4.5   Impact of the Proposed Change

No changes have been made to this section.

4.0 Updated Project Management Plan

4.1   Project Director Qualifications -

4.1.1   Executive Partner

The Executive Partner leads the Executive Management Team, and has significant impact on all policy issues of importance to the Project and to all stakeholders. The Executive Partner serves as the key advisor to the Project Steering Committee, oversees the delivery of the FI$Cal solution, and champions statewide support for the Project.

The Executive Partner has high-level, sensitive, and continuous contact with the Partner Agencies, the Governor's Office, the Legislature, top agency and department officials, and other governmental entities. Other governmental entities include the federal government, employee organizations in conjunction with the California Department of Human Resources, other states, and local entities.

Figure 3. FI$Cal Leadership Organization
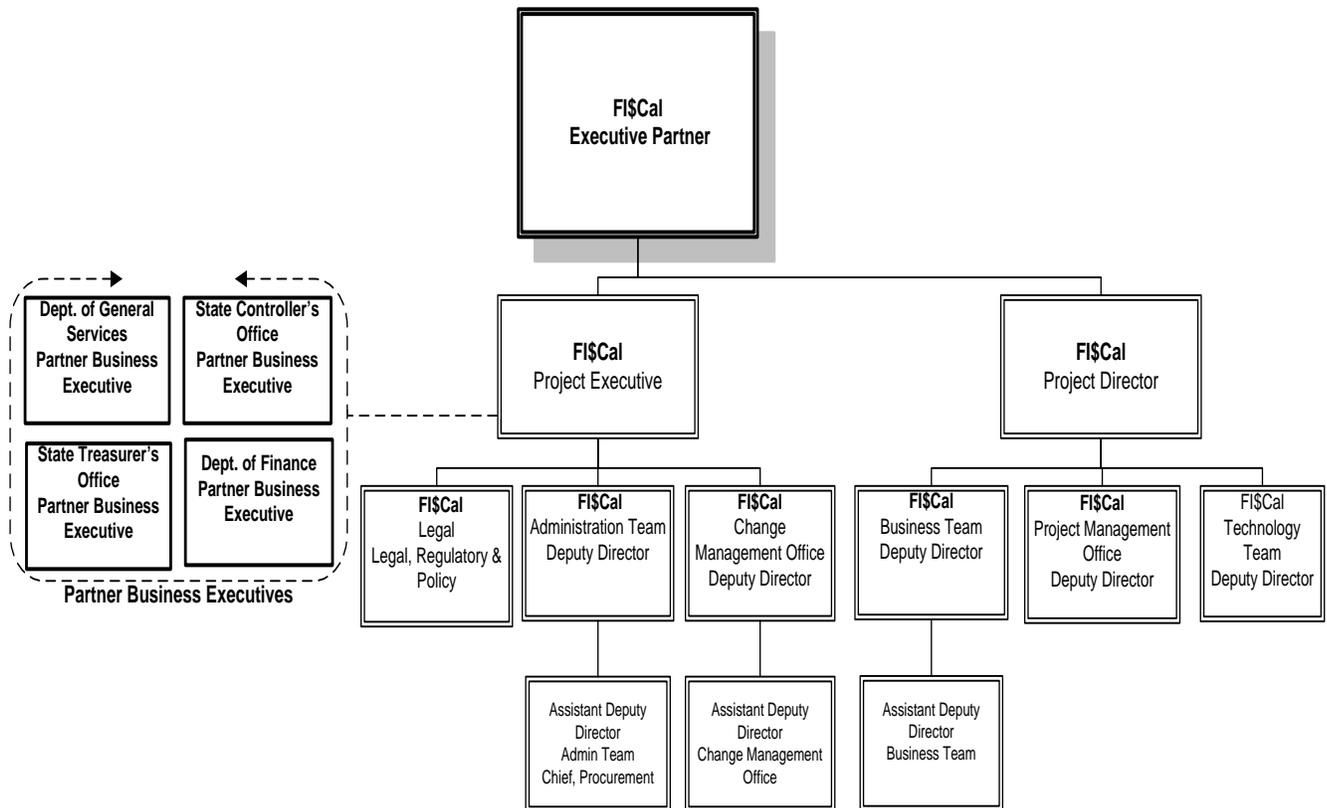
4.2   Project Management Methodology - 4.5 Project Plan

No changes have been made to Section 4.2, Project Management Methodology through Section 4.5, Project Plan.

4.5.1   Project Scope

SPR 5 proposes a scope increase by including the replacement of the DGS ABMS with FI$Cal. DGS has been a partially deferred department. All other proposed changes to the implementation approach represent the movement of the existing scope between waves.

4.5.1.1   Out of Scope in Initial Effort - 4.5.2 Constraints

No changes have been made to Section 4.5.1.1, Out of Scope in Initial Effort, through Section 4.5.2.2, Constraints.

4.5.3   Project Phasing

Refer to Figure 1 in Section 3.4.3, Implementation Approach for a view of the anticipated phases and the high level deliverables associated with each phase.

4.5.4   Project Schedule

As part of the proposed change, Accenture and the State will revise the detailed Project schedule and associated deliverables to be consistent with the proposed approach. This revised Project schedule will illustrate the work breakdown structure and will be used throughout the Project to monitor progress, schedule variances, and completion status, and focus efforts on the desired outcomes. Table 1 is a summary of the proposed Project schedule.

Table 1. Project Schedule

Project Period	Go Live
DD&I Start	June 2012
Pre-Wave	July 2013
Wave 1	July 2014
Wave 2	July 2015
Wave 3	July 2016
Wave 4	July 2017

4.6 Project Monitoring and Oversight – 4.8 Project Change Control

No changes have been made to Sections 4.6, Project Monitoring and Oversight through 4.8, Project Change Control.

4.9   Change Management

FI$Cal's Change Management Program has not changed since the approval of SPR 4 with the exception of training, as described in Section 4.9.3.2 below. Details of FI$Cal's Change Management approach are in Appendix B.

4.9.3.2 Training

In an effort to adequately support the training needs for FI$Cal Waves 2 through 4, the State proposes that Accenture be the lead in training delivery. The State will assume a support role, with increasing responsibility throughout the waves. This will ensure the State is ready to assume full training responsibilities for on-going training of FI$Cal post Wave 4.

See Appendix B for additional information.

4.9.3.3 Business Process Re-engineering Support

No changes have been made to this section.

4.9.4 Organizational Transformation

No changes have been made to this section.

4.10 Authorization Required

Approval of this SPR is required from the Steering Committee, the Department of Finance, and the Department of Technology.

5.0 Risk and Issue Management Plan

No changes have been made to Sections 5.0, Risk and Issue Management Plan, through 5.2, Risk and Issue Management Worksheet.

6.0 Updated Economic Analysis Worksheets (EAWs)

SPR 4 identified the cost of the Project at $616.8 million through Fiscal Year 2017-18. SPR 5 estimates the costs of the project at $672.6 million for the years of 2005-06 to 2018-19 as follows:

- Actual expenditures from fiscal year 2005-06 through fiscal year 2012-13 are $159.6 million.
- Available funding for fiscal year 2013-14 is $85.1 million.
- Total Project cost is now estimated at $672.6 million, with the Fiscal Year 2014-15 cost of $106.5 million.

6.1   Cost Assumptions

The following assumptions were used to develop the EAWs for the FI$Cal Project:

- The Project impacts nearly 140 departments and will be rolled out over five years in a series of five waves.
- Total staffing requested for fiscal year 2014-15 is 294 positions. The staffing level peaks in Fiscal Year 2014-15 at 294 positions. Accenture's costs include $45.3 million for Fiscal Year 2014-15. Accenture's total cost over the life of the Project is $226.0 million.
- End user counts have increased from 13,000 to 15,000.
- Funding for DD&I and the first year of O&M continues to be split 47.11 percent General Fund, 39.90 percent special and nongovernmental costs funds, and 12.99 percent federal funds.

6.2   Existing System/Baseline Cost Worksheet

There are no changes to the Existing System/Baseline Cost Worksheet that was included in SPR 4.

6.3   Proposed Alternative Worksheet

The EAW for the Proposed Alternative is provided in this section.

Existing System/Baseline Cost Worksheet
All costs to be shown in whole (unrounded) dollars.

	FY 05/06-09/10 Actuals		FY 2010/11 Actuals		FY 2011/12 Actuals		FY 2012/13 Actuals		FY 2013/14 Budget		FY 2014/15		SUBTOTAL	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
Continuing Information Technology Costs														
Staff (salaries & benefits)	655.5	62,570,300	131.1	12,514,060	131.1	12,514,060	131.1	12,514,060	131.1	12,514,060	131.1	12,514,060	1,311.0	125,140,600
Hardware Lease/Maintenance		8,658,525		1,731,705		1,731,705		1,731,705		1,731,705		1,731,705		17,317,050
Software Maintenance/Licenses		14,029,010		2,805,802		2,805,802		2,805,802		2,805,802		2,805,802		28,058,020
Contract Services		13,730,450		2,746,090		2,746,090		2,746,090		2,746,090		2,746,090		27,460,900
Data Center Services		28,505,975		5,701,195		5,701,195		5,701,195		5,701,195		5,701,195		57,011,950
Agency Facilities		3,589,660		717,932		717,932		717,932		717,932		717,932		7,179,320
Other		4,870,840		974,168		974,168		974,168		974,168		974,168		9,741,680
Total IT Costs	655.5	135,954,760	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	1,311.0	271,909,520
Continuing Program Costs:														
Staff	41,267.5	2,983,379,370	8,253.5	596,675,874	8,253.5	596,675,874	8,253.5	596,675,874	8,253.5	596,675,874	8,253.5	596,675,874	82,535.0	5,966,758,740
Other		485,427,425		97,085,485		97,085,485		97,085,485		97,085,485		97,085,485		970,854,850
Total Program Costs	41,267.5	3,468,806,795	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	82,535.0	6,937,613,590
TOTAL EXISTING SYSTEM COST	41,923.0	3,604,761,555	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	83,846.0	7,209,523,110

	Subtotal		FY 2015/16		FY 2016/17		FY 2017/18		FY 2018/19		TOTAL	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
Continuing Information Technology Costs												
Staff (salaries & benefits)	1311.0	125,140,600	131.1	12,514,060	131.1	12,514,060	131.1	12,514,060	131.1	12,514,060	1,835	175,196,840
Hardware Lease/Maintenance		17,317,050		1,731,705		1,731,705		1,731,705		1,731,705		24,243,870
Software Maintenance/Licenses		28,058,020		2,805,802		2,805,802		2,805,802		2,805,802		39,281,228
Contract Services		27,460,900		2,746,090		2,746,090		2,746,090		2,746,090		38,445,260
Data Center Services		57,011,950		5,701,195		5,701,195		5,701,195		5,701,195		79,816,730
Agency Facilities		7,179,320		717,932		717,932		717,932		717,932		10,051,048
Other		9,741,680		974,168		974,168		974,168		974,168		13,638,352
Total IT Costs	1311.0	271,909,520	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	1,835	380,673,328
Continuing Program Costs:												
Staff	82,535.0	5,966,758,740	8,253.5	596,675,874	8,253.5	596,675,874	8,253.5	596,675,874	8,253.5	596,675,874	115,549.0	8,353,462,236
Other		970,854,850		97,085,485		97,085,485		97,085,485		97,085,485		1,359,196,790
Total Program Costs	82,535.0	6,937,613,590	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	115,549.0	9,712,659,026
TOTAL EXISTING SYSTEM COST	83,846.0	7,209,523,110	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	117,384.4	10,093,332,354

Proposed Alternative Worksheet

All costs to be shown in whole (unrounded) dollars.

	FY 05/06-09/10 Act PYs	Amts	FY 2010/11 Actuals PYs	Amts	FY 2011/12 Actuals PYs	Amts	FY 2012/13 Actuals PYs	Amts	FY 2013/14 Budget PYs	Amts	FY 2014/15 PYs	Amts	SUBTOTAL PYs	Amts
One-Time IT Project Costs														
Staff (Salaries & Benefits)	152.0	16,307,156	96.0	10,783,678	156.8	13,447,754	132.9	14,027,377	141.5	16,309,979	105.0	11,236,524	784.2	82,112,468
Hardware Purchase		697,352		983,624		1,121,028		1,088,387		258,245		272,400		4,421,036
Software Purchase/License		979,811		317,109		130,827		706,706		152,755		180,697		2,467,905
Telecommunications		0		0		0		0		240,000		0		240,000
Contract Services														
Software Customization		0		0		0		43,183,121		26,219,313		38,820,963		108,223,397
Project Management		1,671,288		1,220,882		1,047,234		842,456		940,000		500,000		6,221,860
Project Oversight		411,679		340,000		196,517		174,417		424,400		447,000		1,994,013
IV&V Services		861,054		566,896		482,942		936,000		1,000,000		1,000,000		4,846,892
Other Contract Services		5,486,867		6,808,434		3,382,542		3,024,248		6,720,710		9,342,693		34,765,494
TOTAL Contract Services		8,430,888		8,936,212		5,109,235		48,160,242		35,304,423		50,110,656		156,051,656
Data Center Services		119,866		0		0		0		0		0		119,866
Agency Facilities		825,263		3,955,203		1,177,929		0		0		0		5,958,395
Other														0
Other (Std. Comp, Travel, Training)		2,680,365		581,889		601,937		1,773,775		5,024,677		3,696,482		14,359,125
Special Items of Expense (ProRata, SWCAP)				204,448		204,000		675,592		892,000		10,525		1,986,565
TOTAL Other		2,680,365		786,337		805,937		2,449,367		5,916,677		3,707,007		16,345,690
Total One-time IT Costs	152.0	30,040,701	96.0	25,762,163	156.8	21,792,710	132.9	66,432,079	141.5	58,182,079	105.0	65,507,284	784.2	267,717,016
Continuing IT Project Costs														
Staff (Salaries & Benefits)	0.0	0	0.0	0	0.0	0	63.2	6,674,270	144.1	15,760,263	189.0	21,530,200	396.3	43,964,733
Hardware Lease/Maintenance		0		0		0		1,054,106		938,877		926,768		2,919,751
Software Maintenance/Licenses		0		0		0		653,041		575,123		570,500		1,798,664
Telecommunications		0		0		0		0		139,000		145,620		284,620
Contract Services		0		0		0		2,043,689		2,649,000		8,830,637		13,523,326
Data Center Services		0		0		0		842,625		2,336,000		2,491,507		5,670,132
Agency Facilities		0		0		0		2,869,078		2,127,000		2,232,129		7,228,207
Other		0		0		0								0
Other (Std. Comp, Travel, Training)		0		0		0		1,398,655		2,393,900		4,282,355		8,074,910
Special Items of Expense (ProRata, SWCAP)		0		0		0								0
TOTAL Other		0		0		0		1,398,655		2,393,900		4,282,355		8,074,910
Total Continuing IT Costs	0.0	0	0.0	0	0.0	0	63.2	15,535,464	144.1	26,919,163	189.0	41,009,716	396.3	83,464,343
Total Project Costs	152.0	30,040,701	96.0	25,762,163	156.8	21,792,710	196.1	81,967,543	285.6	85,101,242	294.0	106,517,000	1,180.5	351,181,359
Continuing Existing Costs														
Information Technology Staff	655.5	62,570,300	131.1	12,514,060	131.1	12,514,060	131.1	12,514,060	131.1	12,514,060	131.1	12,514,060	1,311.0	125,140,600
Other IT Costs		73,384,460		14,676,892		14,676,892		14,676,892		14,676,892		14,676,892		146,768,920
Total Continuing Existing IT Costs	655.5	135,954,760	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	1,311.0	271,909,520
Program Staff	41,267.5	2,983,379,370	8,253.5	596,675,874	8,253.5	596,675,874	8,253.5	596,675,874	8,253.5	596,675,874	8,253.5	596,675,874	82,535.0	5,966,758,740
Other Program Costs		485,427,425		97,085,485		97,085,485		97,085,485		97,085,485		97,085,485		970,854,850
Total Continuing Existing Program Cos	41,267.5	3,468,806,795	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	82,535.0	6,937,613,590
Total Continuing Existing Costs	41,923.0	3,604,761,555	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	83,846.0	7,209,523,110
TOTAL ALTERNATIVE COSTS	42,075.0	3,634,802,256	8,480.6	746,714,474	8,541.4	742,745,021	8,580.7	802,919,854	8,670.2	806,053,553	8,678.6	827,469,311	85,026.5	7,560,704,469
INCREASED REVENUES		0		0		0		0		0		0		0

	Subtotal		FY 2015/16		FY 2016/17		FY 2017/18		FY 2018/19		TOTAL	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
One-Time IT Project Costs												
Staff (Salaries & Benefits)	784.2	82,112,468	105.0	11,273,048	105.0	11,273,048	105.0	11,264,539	0.0	0	1,099.2	115,923,103
Hardware Purchase		4,421,036		272,400		272,400		272,400		0		5,238,236
Software Purchase/License		2,467,905		169,897		169,897		169,897		0		2,977,596
Telecommunications		240,000		0		0		0		0		240,000
Contract Services												
Software Customization		108,223,397		63,717,909		32,852,614		1,465,836		0		206,259,756
Project Management		6,221,860		500,000		500,000		500,000		0		7,721,860
Project Oversight		1,994,013		424,400		424,400		424,400		0		3,267,213
IV&V Services		4,846,892		1,000,000		1,000,000		1,000,000		0		7,846,892
Other Contract Services		34,765,494		12,851,682		708,602		708,602		0		49,034,380
TOTAL Contract Services		156,051,656		78,493,991		35,485,616		4,098,838		0		274,130,101
Data Center Services		119,866		0		0		0		0		119,866
Agency Facilities		5,958,395		0		0		0		0		5,958,395
Other												
Other (Std. Comp, Travel, Training)		14,359,125		3,053,574		2,897,220		3,054,000				23,363,919
Special Items of Expense (ProRata, SWCAP)		1,986,565		755,592		755,592		755,592				4,253,341
TOTAL Other		16,345,690		3,809,166		3,652,812		3,809,592		0		27,617,260
Total One-time IT Costs	784.2	267,717,016	105.0	94,018,502	105.0	50,853,773	105.0	19,615,266	0.0	0	1,099.2	432,204,557
Continuing IT Project Costs												
Staff (Salaries & Benefits)	396.3	43,964,733	189.0	21,615,673	189.0	21,615,673	189.0	21,580,200	128.0	14,690,002	1,091.3	123,466,281
Hardware Lease/Maintenance		2,919,751		911,643		911,643		911,643		1,184,043		6,838,723
Software Maintenance/Licenses		1,798,664		545,500		545,500		545,500		715,397		4,150,561
Telecommunications		284,620		145,620		145,620		145,620		145,620		867,100
Contract Services		13,523,326		7,925,695		8,155,232		8,233,663		9,172,663		47,010,579
Data Center Services		5,670,132		2,491,507		1,758,174		2,491,940		5,561,940		17,973,693
Agency Facilities		7,228,207		2,341,824		2,457,415		2,341,354		2,578,354		16,947,154
Other		0										
Other (Std. Comp, Travel, Training)		8,074,910		3,972,432		3,602,268		3,972,655		2,767,655		22,389,920
Special Items of Expense (ProRata, SWCAP)		0								756,000		756,000
TOTAL Other		8,074,910		3,972,432		3,602,268		3,972,655		3,523,655		23,145,920
Total Continuing IT Costs	396.3	83,464,343	189.0	39,949,894	189.0	39,191,525	189.0	40,222,575	128.0	37,571,674	1,091.3	240,400,011
Total Project Costs	1,180.5	351,181,359	294.0	133,968,396	294.0	90,045,298	294.0	59,837,841	128.0	37,571,674	2,190.5	672,604,568
Continuing Existing Costs												
Information Technology Staff	1,311.0	125,140,600	131.1	12,514,060	131.1	12,514,060	131.1	12,514,060	131.1	12,514,060	1,835.4	175,196,840
Other IT Costs		146,768,920		14,676,892		14,676,892		14,676,892		14,676,892		205,476,488
Total Continuing Existing IT Costs	1,311.0	271,909,520	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	1,835.4	380,673,328
Program Staff	82,535.0	5,966,758,740	8,253.5	596,675,874	8,253.5	596,675,874	8,253.5	596,675,874	8,253.5	596,675,874	115,549.0	8,353,462,236
Other Program Costs		970,854,850		97,085,485		97,085,485		97,085,485		97,085,485		1,359,196,790
Total Continuing Existing Program Cos	82,535.0	6,937,613,590	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	115,549.0	9,712,659,026
Total Continuing Existing Costs	83,846.0	7,209,523,110	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	117,384.4	10,093,332,354
TOTAL ALTERNATIVE COSTS	85,026.5	7,560,704,469	8,678.6	854,920,707	8,678.6	810,997,609	8,678.6	780,790,152	8,512.6	758,523,985	119,574.9	10,765,936,922
INCREASED REVENUES		0		0		0		0		0		0

Economic Analysis Summary
All costs to be shown in whole (unrounded) dollars.

	FY 05/06-09/10 Ac		FY 2010/11 Actuals		FY 2011/12 Actuals		FY 2012/13 Actuals		FY 2013/14 Budget		FY 2014/15		SUBTOTAL	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
EXISTING SYSTEM														
Total IT Costs	655.5	135,954,760	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	1,311.0	271,909,520
Total Program Costs	41,267.5	3,468,806,795	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	82,535.0	6,937,613,590
Total Existing System Costs	41,923.0	3,604,761,555	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	83,846.0	7,209,523,110
PROPOSED ALTERNATIVE														
Total Project Costs	152.0	30,040,701	96.0	25,762,163	156.8	21,792,710	196.1	81,967,543	285.6	85,101,242	294.0	106,517,000	1,180.5	351,181,359
Total Cont. Exist. Costs	41,923.0	3,604,761,555	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	83,846.0	7,209,523,110
Total Alternative Costs	42,075.0	3,634,802,256	8,480.6	746,714,474	8,541.4	742,745,021	8,580.7	802,919,854	8,670.2	806,053,553	8,678.6	827,469,311	85,026.5	7,560,704,469
COST SAVINGS/AVOIDANCES	(152.0)	(30,040,701)	(96.0)	(25,762,163)	(156.8)	(21,792,710)	(196.1)	(81,967,543)	(285.6)	(85,101,242)	(294.0)	(106,517,000)	(1,180.5)	(351,181,359)
Increased Revenues		0		0		0		0		0		0		0
Net (Cost) or Benefit	(152.0)	(30,040,701)	(96.0)	(25,762,163)	(156.8)	(21,792,710)	(196.1)	(81,967,543)	(285.6)	(85,101,242)	(294.0)	(106,517,000)	(1,180.5)	(351,181,359)
Cum. Net (Cost) or Benefit	(152.0)	(30,040,701)	(248.0)	(55,802,864)	(404.8)	(77,595,574)	(600.9)	(159,563,117)	(886.5)	(244,664,359)	(1,180.5)	(351,181,359)		
ALTERNATIVE #1														
Total Project Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Total Cont. Exist. Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Total Alternative Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
COST SAVINGS/AVOIDANCES	41,923.0	3,604,761,555	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	83,846.0	7,209,523,110
Increased Revenues		0		0		0		0		0		0		0
Net (Cost) or Benefit	41,923.0	3,604,761,555	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	83,846.0	7,209,523,110
Cum. Net (Cost) or Benefit	41,923.0	3,604,761,555	50,307.6	4,325,713,866	58,692.2	5,046,666,177	67,076.8	5,767,618,488	75,461.4	6,488,570,799	83,846.0	7,209,523,110		
ALTERNATIVE #2														
Total Project Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Total Cont. Exist. Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Total Alternative Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
COST SAVINGS/AVOIDANCES	41,923.0	3,604,761,555	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	83,846.0	7,209,523,110
Increased Revenues		0		0		0		0		0		0		0
Net (Cost) or Benefit	41,923.0	3,604,761,555	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	83,846.0	7,209,523,110
Cum. Net (Cost) or Benefit	41,923.0	3,604,761,555	50,307.6	4,325,713,866	58,692.2	5,046,666,177	67,076.8	5,767,618,488	75,461.4	6,488,570,799	83,846.0	7,209,523,110		

	SUBTOTAL		FY 2015/16		FY 2016/17		FY 2017/18		FY 2018/19		TOTAL	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
EXISTING SYSTEM												
Total IT Costs	1,311.0	271,909,520	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	131.1	27,190,952	1,835.4	380,673,328
Total Program Costs	82,535.0	6,937,613,590	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	8,253.5	693,761,359	115,549.0	9,712,659,026
Total Existing System Costs	83,846.0	7,209,523,110	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	117,384.4	10,093,332,354
PROPOSED ALTERNATIVE												
Total Project Costs	1,180.5	351,181,359	294.0	133,968,396	294.0	90,045,298	294.0	59,837,841	128.0	37,571,674	2,190.5	672,604,568
Total Cont. Exist. Costs	83,846.0	7,209,523,110	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	117,384.4	10,093,332,354
Total Alternative Costs	85,026.5	7,560,704,469	8,678.6	854,920,707	8,678.6	810,997,609	8,678.6	780,790,152	8,512.6	758,523,985	119,574.9	10,765,936,922
COST SAVINGS/AVOIDANCES	(1,180.5)	(351,181,359)	(294.0)	(133,968,396)	(294.0)	(90,045,298)	(294.0)	(59,837,841)	(128.0)	(37,571,674)	(2,190.5)	(672,604,568)
Increased Revenues		0		0		0		0		0		0
Net (Cost) or Benefit	(1,180.5)	(351,181,359)	(294.0)	(133,968,396)	(294.0)	(90,045,298)	(294.0)	(59,837,841)	(128.0)	(37,571,674)	(2,190.5)	(672,604,568)
Cum. Net (Cost) or Benefit	(1,180.5)	(351,181,359)	(294.0)	(133,968,396)	(294.0)	(90,045,298)	(294.0)	(59,837,841)	(128.0)	(37,571,674)	(2,190.5)	(672,604,568)
ALTERNATIVE #1												
Total Project Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Total Cont. Exist. Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Total Alternative Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
COST SAVINGS/AVOIDANCES	83,846.0	7,209,523,110	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	117,384.4	10,093,332,354
Increased Revenues		0		0		0		0		0		0
Net (Cost) or Benefit	83,846.0	7,209,523,110	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	117,384.4	10,093,332,354
Cum. Net (Cost) or Benefit	83,846.0	7,209,523,110	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	117,384.4	10,093,332,354
ALTERNATIVE #2												
Total Project Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Total Cont. Exist. Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Total Alternative Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
COST SAVINGS/AVOIDANCES	83,846.0	7,209,523,110	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	117,384.4	10,093,332,354
Increased Revenues		0		0		0		0		0		0
Net (Cost) or Benefit	83,846.0	7,209,523,110	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	117,384.4	10,093,332,354
Cum. Net (Cost) or Benefit	83,846.0	7,209,523,110	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	8,384.6	720,952,311	117,384.4	10,093,332,354

Project Funding Plan
All costs to be shown in whole (unrounded) dollars.

	FV 5/06-09/10 Actual		FV 2010/11 Actuals		FV 2011/12 Actuals		FV 2012/13 Actuals		FV 2013/14 Budget		FV 2014/15		SUBTOTALS	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
TOTAL PROJECT COSTS	152.0	30,040,701	96.0	25,762,163	156.8	21,792,710	196.1	81,967,543	285.6	85,101,242	294.0	106,517,000	1180.5	351,181,359
RESOURCES TO BE REDIRECTED														
Staff	19.9	3,197,521	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	19.9	3,197,521
Funds:														
Existing System		0		0		0		0		0		0		0
Other Fund Sources		0		0		0		0		0		0		0
TOTAL REDIRECTED RESOURCES	19.9	3,197,521	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	19.9	3,197,521
ADDITIONAL PROJECT FUNDING NEEDED														
One-Time Project Costs	132.1	26,843,180	96.0	25,762,163	156.8	21,792,710	132.9	66,432,079	141.5	58,182,079	105.0	65,507,284	764.3	0
Continuing Project Costs	0.0	0	0.0	0	0.0	0	63.2	15,535,464	144.1	26,919,163	189.0	41,009,716	396.3	83,464,343
TOTAL ADDITIONAL PROJECT FUNDS NEEDED BY FISCAL YEAR	132.1	26,843,180	96.0	25,762,163	156.8	21,792,710	196.1	81,967,543	285.6	85,101,242	294.0	106,517,000	1160.6	347,983,838
TOTAL PROJECT FUNDING	152.0	30,040,701	96.0	25,762,163	156.8	21,792,710	196.1	81,967,543	285.6	85,101,242	294.0	106,517,000	1180.5	351,181,359
Difference: Funding - Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Total Estimated Cost Savings	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0

FUNDING SOURCE*														
General Fund (001)	44%	13,176,638	7%	1,795,930	9%	1,923,969	0%	0	0%	0	0%	0	5%	16,896,537
General Fund (011)	0%	0	0%	0	0%	0	0%	0	4%	3,394,022	89%	94,435,000	28%	97,829,022
Other Fund (CSCRF)	0%	0	0%	0	7%	1,425,000	3%	2,433,400	3%	2,869,220	3%	3,186,000	3%	9,913,620
Reimbursement	0%	0	0%	0	0%	55,791	0%	0	0%	0	0%	0	0%	55,791
Redirection	11%	3,197,521	0%	0	0%	0	0%	0	0%	0	0%	0	1%	3,197,521
NGCF (Fi$Cal Internal Services Fund)	45%	13,666,542	65%	16,786,233	0%	42,200	8%	6,712,019	0%	0	0%	0	11%	37,206,994
Special Fund	0%	0	28%	7,180,000	84%	18,345,750	89%	72,822,124	93%	78,838,000	8%	8,896,000	53%	186,081,874
Federal Fund	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
TOTAL FUNDING	100%	30,040,701	100%	25,762,163	100%	21,792,710	100%	81,967,543	100%	85,101,242	100%	106,517,000	100%	351,181,359

*Type: If applicable, for each funding source, beginning on row 29, describe what type of funding is included, such as local assistance or grant funding, the date the funding is to become available, and the duration of the funding.

(Continued on next page)

Adjustments, Savings, and Revenues Worksheet

Annual Project Adjustments	FY 5/06-09/10 Actual		FY 2010/11 Actuals		FY 2011/12 Actuals		FY 2012/13 Actuals		FY 2013/14 Budget		FY 2014/15		
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	
One-time Costs													
Previous Year's Baseline	0.0	0	132.1	26,843,180	96.0	25,762,163	156.8	21,792,710	132.9	66,432,079	141.5	58,182,079	
(A) Annual Augmentation /(Reduction)	132.1	26,843,180	(36.1)	(1,081,017)	60.8	(3,969,453)	(23.9)	44,639,369	8.6	(8,250,000)	(36.5)	7,325,205	
(B) Total One-Time Budget Actions	132.1	26,843,180	96.0	25,762,163	156.8	21,792,710	132.9	66,432,079	141.5	58,182,079	105.0	65,507,284	
Continuing Costs													
Previous Year's Baseline	0.0	0	0.0	0	0.0	0	0.0	0	63.2	15,535,464	144.1	26,919,163	
(C) Annual Augmentation /(Reduction)	0.0	0	0.0	0	0.0	0	63.2	15,535,464	80.9	11,383,699	44.9	14,090,553	
(D) Total Continuing Budget Actions	0.0	0	0.0	0	0.0	0	63.2	15,535,464	144.1	26,919,163	189.0	41,009,716	
Total Annual Project Budget Augmentation /(Reduction) [A + C]	132.1	26,843,180	(36.1)	(1,081,017)	60.8	(3,969,453)	39.3	60,174,833	89.5	3,133,699	8.4	21,415,758	

[A, C] Excludes Redirected Resources

Total Additional Project Funds Needed [B + D]

Annual Savings/Revenue Adjustments

Cost Savings	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	
Increased Program Revenues		0		0		0		0		0		0	

(Continued on next page)

Project Funding Plan
All costs to be shown in whole (unrounded) dollars.

	SUBTOTALS		FY 2015/16		FY 2016/17		FY 2017/18		FY 2018/19		TOTALS	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
TOTAL PROJECT COSTS	1180.5	351,181,359	294.0	133,968,396	294.0	90,045,298	294.0	59,837,841	128.0	37,571,674	2190.5	672,604,568
RESOURCES TO BE REDIRECTED												
Staff	19.9	3,197,521	0.0	0	0.0	0	0.0	0	0.0	0	19.9	3,197,521
Funds:												
Existing System		0		0		0		0		0		0
Other Fund Sources		0		0		0		0		0		0
TOTAL REDIRECTED RESOURCES	19.9	3,197,521	0.0	0	0.0	0	0.0	0	0.0	0	19.9	3,197,521
ADDITIONAL PROJECT FUNDING NEEDED												
One-Time Project Costs	764.3	0	105.0	94,018,502	105.0	50,853,773	105.0	19,615,266	0.0	0	1,079	164,487,541
Continuing Project Costs	396.3	83,464,343	189.0	39,949,894	189.0	39,191,525	189.0	40,222,575	128.0	37,571,674	1,091	240,400,011
TOTAL ADDITIONAL PROJECT FUNDS NEEDED BY FISCAL YEAR	1160.6	347,983,838	294.0	133,968,396	294.0	90,045,298	294.0	59,837,841	128.0	37,571,674	2,171	669,407,047
TOTAL PROJECT FUNDING	1180.5	351,181,359	294.0	133,968,396	294.0	90,045,298	294.0	59,837,841	128.0	37,571,674	2,191	672,604,568
Difference: Funding - Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Total Estimated Cost Savings	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
FUNDING SOURCE*												
General Fund (001)	5%	16,896,537	0%	0	0%	0	0%	0	0%	0	3%	16,896,537
General Fund (011)	28%	97,829,022	81%	108,556,659	88%	78,997,509	68%	40,904,621	68%	25,637,965	52%	351,925,776
Other Fund (CSCRF)	3%	9,913,620	0%	0	0%	0	0%	0	0%	0	1%	9,913,620
Reimbursement	0%	55,791	0%	0	0%	0	0%	0	0%	0	0%	55,791
Redirection	1%	3,197,521	0%	0	0%	0	0%	0	0%	0	0%	3,197,521
NGCF (Fi$Cal Internal Services Fund)	11%	37,206,994	0%	0	0%	0	0%	0	0%	0	6%	37,206,994
Special Fund	53%	186,081,874	19%	25,411,737	12%	11,047,789	32%	18,933,220	32%	11,933,709	38%	253,408,329
Federal Fund	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
TOTAL FUNDING	100%	351,181,359	100.0%	133,968,396	100%	90,045,298	100%	59,837,841	100%	37,571,674	100%	672,604,568

*Type: If applicable, for each funding source, beginning on row 29, describe what type of funding is included, such as local assistance or grant funding, the date the funding is to become available, and the duration of the funding.

(Continued on next page)

Adjustments, Savings, and Revenues Worksheet

		FY 2015/16		FY 2016/17		FY 2017/18		FY 2018/19		Net Adjustments	
Annual Project Adjustments		PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
One-time Costs											
Previous Year's Baseline		105.0	65,507,284	105.0	94,018,502	105.0	50,853,773	105.0	19,615,266		
(A) Annual Augmentation /(Reduction)		0.0	28,511,218	0.0	(43,164,729)	0.0	(31,238,507)	(105.0)	(19,615,266)		
(B) Total One-Time Budget Actions		105.0	94,018,502	105.0	50,853,773	105.0	19,615,266	0.0	0	1,079.3	429,007,036
Continuing Costs											
Previous Year's Baseline		189.0	41,009,716	189.0	39,949,894	189.0	39,191,525	189.0	40,222,575		
(C) Annual Augmentation /(Reduction)		0.0	(1,059,822)	0.0	(758,369)	0.0	1,031,050	(61.0)	(2,650,901)		
(D) Total Continuing Budget Actions		189.0	39,949,894	189.0	39,191,525	189.0	40,222,575	128.0	37,571,674	1,091.3	240,400,011
Total Annual Project Budget Augmentation /(Reduction) [A + C]		0.0	27,451,396	0.0	(43,923,098)	0.0	(30,207,457)	(166.0)	(22,266,167)		

[A, C] Excludes Redirected Resources

Total Additional Project Funds Needed [B + D]		2170.6	669,407,047

Annual Savings/Revenue Adjustments

		FY 2015/16		FY 2016/17		FY 2017/18		FY 2018/19	
Cost Savings		0.0	0	0.0	0	0.0	0	0.0	0
Increased Program Revenues			0		0		0		0

APPENDIX A: DEPARTMENTS BY WAVE

Table 2 is an alphabetical list of the departments by wave as currently proposed. At the beginning of each wave a detailed analysis will be performed to determine the magnitude of outreach required. The analysis will include entities recognized in the Governor's Budget with organization codes but no positions.

Table 2. Departments by Wave

Department	Client Of	SPR 4 Wave	SPR 5 Wave
Agricultural Labor Relations Board		1	1
Alcoholic Beverage Control Appeals Board	ABC	1	1
California Alternative Energy & Advanced Transportation Financing Authority	STO	1	1
California Arts Council		1	1
California Commission on Aging	CDA	1	1
California Debt and Investment Advisory Commission	STO	1	1
California Debt Limit Allocation Committee	STO	1	1
California Department of Aging		1	1
California Educational Facilities Authority	STO	1	1
California Health Facilities Financing Authority	STO	1	1
California Industrial Development Financing Advisory Commission	STO	1	1
California Pollution Control Financing Authority	STO	1	1
California School Finance Authority	STO	1	1
California State Summer School for the Arts	CAC	1	1
California Tax Credit Allocation Committee	STO	1	1
Department of Alcoholic Beverage Control		1	1
Department of Fair Employment and Housing		1	1
Department of Finance (Department and Control Functions)		1	1
Department of General Services (A few users from Purchasing Authority Management Section and One-Time Acquisitions Unit)		Deferred (Departmental Only)	1
Department of Justice		1	1

Department	Client Of	SPR 4 Wave	SPR 5 Wave
Economic Recovery Financing Committee	DOF Acct - STO	N/A	1
Office of Environmental Health Hazard Assessment		1	1
San Francisco Bay Conservation and Development Commission		1	1
Scholarshare Investment Board	STO	1	1
Secure Choice Retirement Svngs Invst Brd	STO	N/A	1
State Board of Equalization		1	1
State Controller's Office (Departmental Functions)		1	1
State Treasurer's Office (Departmental Functions)		1	1
Transportation Financing Authority	STO	N/A	1
Urban Waterfront Restoration Fin Auth	STO	1	1
Alfred E. Alquist Seismic Safety Commission	CFS	2	2
Business, Consumer Services, and Housing Secretary	CFS	N/A	2
California Commission on Disability Access	CFS	N/A	2
California Energy Commission Revenue Bonds	CFS	N/A	2
California Gambling Control Commission	CFS	2	2
California Institute for Regenerative Medicine	CFS	2	2
California Senior Legislature	CFS	2	2
California State Library	CFS	2	2
California Tahoe Conservancy	CFS	2	2
California Transportation Commission	CFS	2	2
Children & Families First Commission	CFS	2	2
Citizens Redistricting Commission	CFS	N/A	2
Commission on Asian & Pacific Islander American Affairs	CFS	N/A	2
Commission on State Mandates	CFS	2	2
Commission on Teacher Credentialing	CFS	2	2
Commission on the Status of Women & Girls	CFS	2	2
Delta Stewardship Council	CFS	N/A	2
Department of Consumer Affairs, Boards (Procurement Only)		2	2

Department	Client Of	SPR 4 Wave	SPR 5 Wave
Department of Consumer Affairs, Bureaus (Procurement Only)	Consumer Affairs	2	2
Department of General Services - Energy Efficient State Property Revolving Fund	CFS	N/A	2
Department of General Services (Department and Control Functions)	CFS	Deferred (Departmental Only)	2
Department of Social Services - Foster Care	CFS	N/A	2
Department of Toxic Substances Controls		3	2
East Bay Building Authority (part of CalTrans)	CFS	N/A	2
Education Audit Appeals Panel	CFS	2	2
Emergency Medical Services Authority	CFS	2	2
Fair Political Practices Commission	CFS	2	2
Financial Information System for California	CFS	2	2
Golden State Tobacco Securitization Corporation	CFS	N/A	2
Government Operations, Secretary	CFS	N/A	2
Governor's Office of Business and Economic Development (GO-Biz)	CFS	N/A	2
High Speed Rail Authority	CFS	2	2
Los Angeles State Building Authority	CFS	N/A	2
Managed Risk Medical Insurance Board	CFS	2	2
Mental Health Services Oversight and Accountability Commission	CFS	N/A	2
Milton Marks "Little Hoover" Commission on CA State Government Organization and Economy	CFS	2	2
Oakland Joint Powers Authority	CFS	N/A	2
Office of Administrative Law	CFS	2	2
Office of Systems Integration	CFS	2	2
Office of the Inspector General	CFS	2	2
Resources Recycling and Recovery (CalRecycle)		3	2
Riverside county Public financing Authority	CFS	N/A	2
Sacramento City Financing Authority	CFS	N/A	2
Sacramento-San Joaquin Delta Conservancy	CFS	N/A	2
San Bernardino State Building Authority (part of CalTrans)	CFS	N/A	2
San Diego River Conservancy	CFS	4	2
San Francisco State Building Authority	CFS	N/A	2
San Gabriel and Lower Los Angeles Rivers & Mountains Conservancy	CFS	2	2

Department	Client Of	SPR 4 Wave	SPR 5 Wave
Santa Monica Mountains Conservancy	CFS	2	2
Sierra Nevada Conservancy	CFS	2	2
State Independent Living Council	CFS	2	2
State Public Defender	CFS	2	2
State Public Works Board	CFS	2	2
Victim Compensation and Government Claims Board	CFS	2	2
State Controller's Office (Control Functions)		2	3
State Treasurer's Office (Control Functions)		2	3
Air Resources Board		3	4
Baldwin Hills Conservancy	Parks and Recreation	2	4
Board of Governors of the California Community Colleges		4	4
Board of Pilot Commissioners	CHP	2	4
Business Oversight		N/A	4
California Coastal Commission		4	4
California Conservation Corps		3	4
California Health Benefit Exchange	Department of Social Services	N/A	4
California Science Center		4	4
Coachella Valley Mountains Conservancy	Parks and Recreation	2	4
Colorado River Board of California		4	4
Commission on Judicial Performance		N/A	4
Commission on Peace Officer Standards and Training		4	4
Delta Protection Commission	State Lands Commission	4	4
Department California Highway Patrol		4	4
Department of Child Support Services		4	4
Department of Community Services and Development		4	4
Department of Conservation		4	4
Department of Consumer Affairs, Boards (All remaining functionality)		2	4
Department of Consumer Affairs, Bureaus (All remaining functionality)	Consumer Affairs	2	4

Department	Client Of	SPR 4 Wave	SPR 5 Wave
Department of Developmental Services		4	4
Department of Education		4	4
Department of Fish and Wildlife		2	4
Department of Food and Agriculture		3	4
Department of Forestry and Fire Protection (CalFIRE)		3	4
Department of Health Care Services		2	4
Department of Housing and Community Development		3	4
Department of Human Resources (CalHR) *(previously Department of Personnel Administration)*		2	4
Department of Industrial Relations		4	4
Department of Insurance		3	4
Department of Managed Health Care		4	4
Department of Parks and Recreation		2	4
Department of Pesticide Regulation		3	4
Department of Public Health		4	4
Department of Rehabilitation		3	4
Department of Social Services		4	4
Department of State Hospitals *(previously Department of Mental Health)*		4	4
Department of Technology		2,3	4
Department of Veterans Affairs		4	4
Employment Development Department		3	4
Energy Resources Conservation and Development Commission		3	4
Franchise Tax Board		2	4
Governor's Office		4	4
Horse Racing Board		4	4
Law Revision Commission	Legislative Counsel	2	4
Military Department		4	4
Native American Heritage Commission	State Lands Commission	4	4

Department	Client Of	SPR 4 Wave	SPR 5 Wave
Natural Resources Agency, Secretary (formerly Secretary of Resources)	CalFIRE	3	4
Office of Emergency Services (formerly California Emergency Management Agency)		4	4
Office of Planning and Research		4	4
Office of the Lieutenant Governor		4	4
Public Employment Relations Board		4	4
Public Utilities Commission		4	4
San Joaquin River Conservancy	Parks and Recreation	2	4
Secretary for Environmental Protection	Air Resources Board	3	4
Secretary for Health and Human Services	Social Services	4	4
Secretary Labor and Workforce Development	EDD	3	4
Secretary of State		4	4
State Coastal Conservancy		4	4
State Council on Developmental Disabilities	Social Services	4	4
State Lands Commission		4	4
State Personnel Board	CalHR	2	4
State Water Resources Control Board		2	4
Statewide Health Planning and Development		4	4
Student Aid Commission		4	4
Transportation Secretary		N/A	4
Wildlife Conservation Board	Fish & Game	2	4
Workforce Investment Board	EDD	3	4

Deferred Departments

Department	SPR 4 Wave	SPR 5 Wave
Board of State and Community Corrections	N/A	Deferred
California State Lottery Commission	Deferred	Deferred
Department of Corrections and Rehabilitation	Deferred	Deferred
Department of Motor Vehicles	Deferred	Deferred
Department of Transportation	Deferred	Deferred
Department of Water Resources	Deferred	Deferred
* State Teachers' Retirement System	Partial Exempt 1	Deferred/ Exempt

Exempt Departments

Department	SPR 4 Wave	SPR 5 Wave
California Housing Finance Agency	4	Exempt
California State Auditor's Office (formerly Bureau of State Audits)	Exempt	Exempt
California State University	Exempt	Exempt
Hastings College of the Law	Exempt	Exempt
Judicial Branch	Exempt	Exempt
Legislative Counsel Bureau/Legislative Data Center	Exempt	Exempt
Legislature	Exempt	Exempt
Public Employees' Retirement System	Exempt	Exempt
State Compensation Insurance Fund	Exempt	Exempt
* State Teachers' Retirement System	Partial Exempt 1	Deferred/ Exempt
University of California	Exempt	Exempt

* Pending change request approval

APPENDIX B: CHANGE MANAGEMENT

The following sections have not changed except for .

4.9   Change Management

Subsequent to SPR 4, Accenture joined the FI$Cal Project as the System Integrator. Accenture has a robust change management methodology that the FI$Cal Project has adopted. Section 4.9 details the Change Management and addresses any additional variances in approach based on SPR 5, that is, is the training area.

4.9.1   Organizational Change Management

Business transformation projects require focused organizational change management attention. FI$Cal changes the way the State conducts its financial business. With over 140 impacted departments and client organizations and approximately 15,000 end users associated with the implementation of the System, the Project has built a robust Change Management Office (CMO) framework.

The mission of the CMO is to guide and support FI$Cal Project team members and stakeholders in successfully transitioning to the FI$Cal business environment by helping them prepare for the change, manage the change during transition, and reinforce the change once the solution is implemented.

4.9.2   Change Management Approach

FI$Cal's Change Management Methodology provides the framework to ensure that the business benefits are realized and that there is a smooth transition process to the FI$Cal solution. The FI$Cal Change Management Methodology consists of five components: Sponsorship, Communications, Readiness, Training, and Knowledge Transfer.

Sponsorship

FI$Cal not only needs the sponsorship of the FI$Cal Project Sponsor, but also sponsorship from each department. This is the group of individuals who help the State realize the desired changes for the FI$Cal Project. The objective of the FI$Cal Sponsor Strategy and Roadmap is to support the vision and goals of FI$Cal by leveraging existing leaders in roles of authority, so that these leaders can enable and lead change through their agency or department.

The guiding principles for Sponsors and sponsorship activities are:

- Engaging personally in the change.
- Being highly supportive and highly visible to the organization.
- Engaging in active dialogue with an agency/department regarding the impact of the FI$Cal Project.
- Allocating appropriate resources to manage the change, and engage in FI$Cal Project activities.
- Engaging in mitigating actions to ensure department readiness.

As each wave kicks off, the CMO Deputy Director and the Project Executive meets with department executive teams to introduce FI$Cal's vision and goals, discuss departmental expectations, hear and address concerns they might have, and determine the communication needs of each particular department sponsorship group. The sponsorship group continues engagement through updates from their Department Implementation Team and monthly Sponsor Briefings with the CMO Deputy Director and Project Executive.

Communications

The CMO strives to actively, and in a timely manner, disseminate information to departments to promote a smooth facilitation of FI$Cal Project activities and maintain cooperation with all parties. These communications focus on establishing support and providing a channel to convey issues during the design, development, and implementation (DD&I) phase. A variety of communication channels are employed to disseminate the FI$Cal message.

The following are the different communication channels that are used to disseminate the FI$Cal message:

- FI$Cal's website is the primary channel to globally deliver FI$Cal's mission and vision, critical information, and schedule of training events and forums.
- Both an electronic mailbox and a telephone line have been established as a means for departments to communicate issues, concerns, or questions to the FI$Cal Project through the CMO.
- The FI$Cal electronic newsletter, FI$Cal Focus, is disseminated to departments each month.
- Quarterly Forums are held to provide Project status updates, functionality sharing, and general awareness and education.
- Customer Impact Committee meetings are held bi-monthly to educate department executives on Project decisions and address concerns.

Readiness

Department Readiness is the strategy that the FI$Cal Project follows to track and measure whether departments, as organizations, are prepared for a successful go live of the FI$Cal System.

As each Project wave is launched, the CMO establishes Department Implementation Teams (DIT) at each department. Made up of department staff, each DIT is responsible for maintaining their departments Master Department Workplan (MDW) and ensuring all required tasks are completed. The MDW is a listing of all the activities required for each department to transition to FI$Cal. Partnered with Readiness Coordinators from the CMO, departments tailor the MDW to the engagement level for their particular department. The MDW allows for measuring and tracking task completion. The strategy includes processes for identifying, resolving, and escalating departmental readiness issues early. The MDW rolls up monthly to a scorecard and then a dashboard view as a means to clearly depict the status of required go live activities. This is the first measure of a department's readiness.

Second, end-user readiness is monitored to help determine if individual users are ready to perform the new business processes using FI$Cal. End user readiness is captured through User Readiness Surveys, which are conducted at key intervals within an implementation wave. For Pre-Wave, end users were surveyed at the beginning of the wave and then again prior to go live. All other waves are surveyed three times: once at the beginning of the wave, again towards the midpoint, and prior to go live.

Additionally, the FI$Cal Project has contracted for independent readiness assessment. Through review of the above-mentioned Project measurements and statistics, observations, and interviews, the contractor will provide an independent view of the health of each department's transition to FI$Cal to the Project and the Steering Committee. This independent assessment will be part of all go/no go decisions for the roll out of each Wave.

Knowledge Transfer

The State must be in the position to support FI$Cal once implemented. To prepare the FI$Cal staff for the necessary support roles, Knowledge Transfer is used as a component of the Change Management Methodology. Knowledge Transfer within the FI$Cal Project allows for consistency in employee performance for long-term success. FI$Cal staff in the CMO, Technology Team, and Business Team have Personal Learning Plans (PLPs) that capture current proficiency levels, desired proficiency levels, and action or Knowledge Transfer events designed to bridge the gaps in proficiency levels. These PLPs are updated monthly and are used to monitor the progress of the FI$Cal State staff's ability to undertake the desired roles and responsibilities of FI$Cal implementation and support.

Departmental Transition Support

The FI$Cal Project conducted Business Process Re-engineering (BPR) sessions with a wide cross-section of the participating departments. During BPR sessions, participants walked though proposed 'to be" processes to determine what would and would not meet the needs of the State.

Based on these sessions, the FI$Cal Project developed another set of 'to be" processes. Conference Room Pilot (CRP) sessions are then conducted for departments for each "to be" process with new functionality. The Project conducted both Pre-Wave and Wave 1 CRP sessions. Again, participants are made up of a wide cross-section of the departments to ensure a full view of how the State conducts business. At the CRPs, the "to be" processes associated with the wave functionality is discussed. Based on CRP sessions, the FI$Cal Project designed the System, first for Pre-Wave and then for Wave 1.

Successful system adoption is often less about learning a new system and more about learning and embracing a new way of performing work. Adoption of new systems requires supporting changes to policies, procedures, and employee training curriculum. For each wave, the FI$Cal Project conducts Business Process Workshops (BPW) sessions. Departments send staff to the BPWs for detailed instructions on each process. Participants come to these sessions with a solid understanding of how they currently conduct business, hear how each process in FI$Cal will function, and are asked to

determine what processes and procedures internal to their organization must be changed due to FI$Cal.

The BPW sessions are quickly followed by Role Mapping Workshops. Here participants receive the descriptions and details of the end user FI$Cal roles. The departments are then tasked with mapping the end users to the roles in FI$Cal.

The need for departmental outreach and support to departments for business and technical assistance is greater than initially understood. Through the Pre-Wave and Wave 1 engagements, the Project has learned that some departments may not be able to manage the complexity and complete the requests for information and/or activities by the required due dates needed for timely FI$Cal implementation. Departments have demonstrated challenges with the following:

- Conflicting priorities between departmental work and FI$Cal
- Vacancies in key positions
- Complexity of requests from FI$Cal

The Project expects this will be the case for all departments, regardless of wave assignment.

Implementing with control agencies prior to the bulk of the departments will provide the time necessary for control agencies to propose, socialize, and adopt necessary changes. Including the proposed departments in Waves 1 through 3 will ensure FI$Cal addresses both departmental and control agency needs for an end result of an effective and usable System for the entire State.

4.9.3.2 Training

In an effort to adequately support the training needs for FI$Cal Waves 2 through 4, the State proposes that Accenture be the lead in training delivery. The State will assume a support role, with increasing responsibility throughout the waves. This will ensure the State is ready to assume full training responsibilities for on-going training of FI$Cal post Wave 4.

The overall purpose of FI$Cal end-user training is to provide an opportunity for end users to excel in their FI$Cal roles, thus providing seamless business continuity for the State at go live.

The following principles guide the design, development, and implementation of the training:

- **Provide end users with timely training and information sessions:** Training and information sessions are delivered as closely as possible to the time when end users need to use the knowledge and skills.
- **Apply "learning by doing" strategies:** Training strategies and the design of the courses encourage end users to "learn by doing" to maximize understanding and learning retention. FI$Cal training provides hands-on opportunities to perform tasks using simulated activities in a realistic training environment.

- **Support end users with real life examples:** Training is designed around business scenarios and activities to help learners practice processes and transactions in a safe, controlled environment prior to performing tasks in FI$Cal. User labs are set up for each go live to allow end users to bring actual work products to the lab for additional real-life training and targeted remediation.
- **Deliver training targeted to roles:** End users complete training courses that are necessary to perform their individual tasks based on their user role.

The FI$Cal Project uses a combination of the following end-user training delivery strategies:

- Instructor-led training
- End user training delivery
- Train the trainer
- Distance or self-paced training
- Web-based Training online courseware
- User Productivity Kit online simulations
- End user support labs

Training materials are tested and piloted prior to delivery to end users.