



VEAP

Virginia Enterprise Applications Program

Visibility – Efficiency – Accountability – Progress

VEAP Financial Update

Finance and Audit Committee

Nov 19, 2008

Peggy Feldmann
Director

Agenda

Budget

- Working Capital Advance Benefits Stream

What is VEAP trying to do?

- July 07 ITIB
- Applications Vision

Resource Requirements



FY 2009 Budget

(Approved April 2008 ITIB)

	Budget Bill	Working Capital Advance	Total
Personnel	610,000	2,306,600	2,916,600
<i>EA Project Management Office</i>	610,000	0	610,000
<i>COVA Project Team</i>	0	2,306,600	2,306,600
Office Space	20,432	30256	50,688
Operational Costs	13,000	12500	25,500
Other	50,000	0	50,000
Contracts	405,764	9,330,280	9,736,044
Office Supplies	3,000	2800	5,800
Travel/Business Meals	2,000	1000	3,000
Total	1,104,196	11,683,436	12,787,632



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Virginia Enterprise Applications Program

FY09 Budget to Actuals

	Budget	GF Budget	WCA Budget	Projected Actual (8/31/08)	GF Actual (8/31/08)	WCA Actual (8/31/08)	Remaining Budget
Personnel	2,916,600	610,000	2,306,600	59,896	54,802	5,095	2,856,703
EA Project Management Office		610,000			54,802	0	555,198
CoVA Project Team			2,306,600			5,095	2,301,505
Office Space	50,688	20,432	30,256	62,899	25,160	37,739	-12,211
Operational Costs	25,500	13,000	12,500	63	63	0	25,437
Other	50,000	50,000	0	11,648	11,648	0	38,352
Contracts	9,736,044	405,764	9,330,280	262,611	52,749	209,862	9,473,433
Office Supplies	5,800	3,000	2,800	1,049	543	506	4,751
Travel/Business Meals	3,000	2,000	1,000	356	0	356	2,644
Total	12,787,632	1,104,196	11,683,436	398,522	144,963	253,559	12,389,110



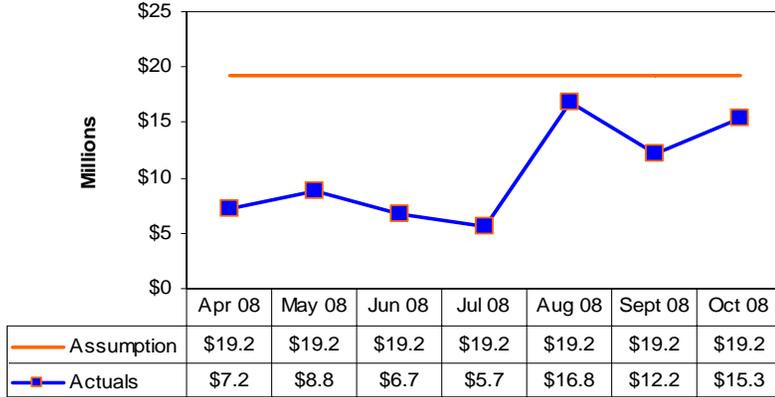
FY09 Budget with Unallotted

	Budget	GF Budget	WCA Budget	Projected Actual (8/31/08)	GF Actual (8/31/08)	WCA Actual (8/31/08)	Remaining Budget
Personnel	2,916,600	610,000	2,306,600	59,896	54,802	5,095	2,856,703
EA Project Management Office		610,000			54,802	0	555,198
CoVA Project Team			2,306,600			5,095	2,301,505
GF Reduction (15%)	-179,708	-179,708					-179,708
Office Space	50,688	20,432	30,256	62,899	25,160	37,739	-12,211
Operational Costs	25,500	13,000	12,500	63	63	0	25,437
Other	50,000	50,000	0	11,648	11,648	0	38,352
Contracts	9,736,044	405,764	9,330,280	262,611	52,749	209,862	9,473,433
Office Supplies	5,800	3,000	2,800	1,049	543	506	4,751
Travel/Business Meals	3,000	2,000	1,000	356	0	356	2,644
Total	12,607,924	924,488	11,683,436	398,522	144,963	253,559	12,209,402
Performance Budgeting							
Development Effort Unallotted:							
Likely to be heldoff until 2010	5,469,320		5,469,320				
1/4 OF Contractors Costs Unallotted:	725,000		725,000				
PB RFP	-32,000		-32,000				
Revised total:	6,445,604	924,488	5,521,116	398,522	144,963	253,559	6,047,082

\$604,415 of carryover successfully approved

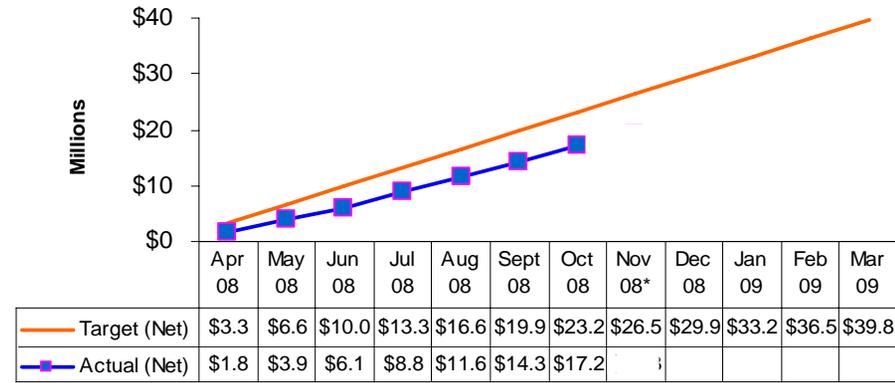
Benefits Stream being Discussed with TAX

New Account Placements Vs Assumptions



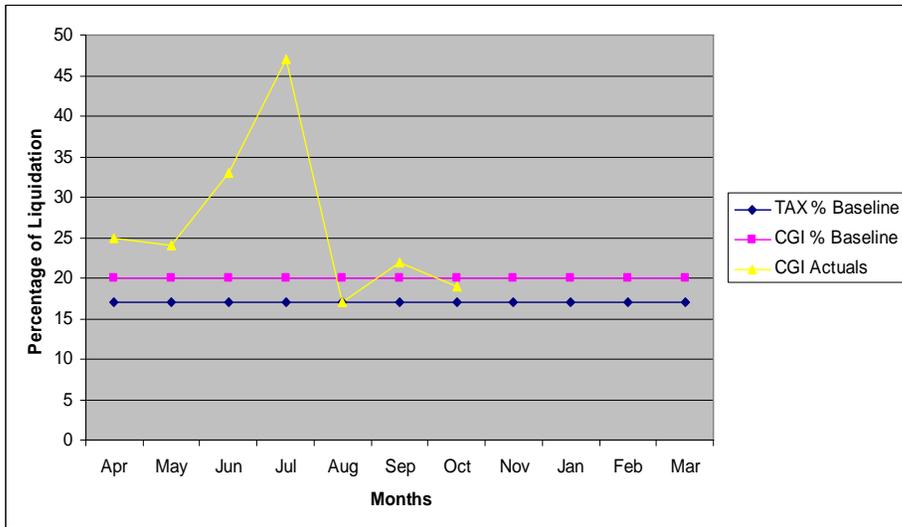
= \$72.7M

Total Net Revenue Vs. \$39.8m YR 1 Assumption



= \$17.2M

Net Revenues / Actual Placements



Example of Possible Negotiation

Placements	\$72.7M
Liquidation	\$17.2M
TAX Requirement of 17% Revenue	\$12.4M
Funds available for ITIF	\$4.8M

Increasing Benefits Streams

- Secretary of Finance working with agencies on additional benefit stream opportunities
 - DOA and DGS
 - DMAS
- Additional Shared Services (with cost recoveries) allow for less dependencies on the Benefits Stream
 - Content Management Business Case
 - Licensing Shared Service
 - Business One Stop
 - Payroll / Time and Attendance



Business Problem

- The centralized systems do not support the needs of most agencies
 - Proliferation of systems to support “the system”
 - Hindering the effectiveness of other large Commonwealth systems
- Commonwealth’s administrative systems are too stove-piped and disparate to operate efficiently
 - Manual and redundant business processes predominate
 - Lack of automated and timely reporting capability
 - Internal and external
 - Differing capacities within the agencies
- Increased risk of system failure and a diminishing pool of knowledge to support current antiquated systems
 - Ultimately will result in decreased service delivery to citizens

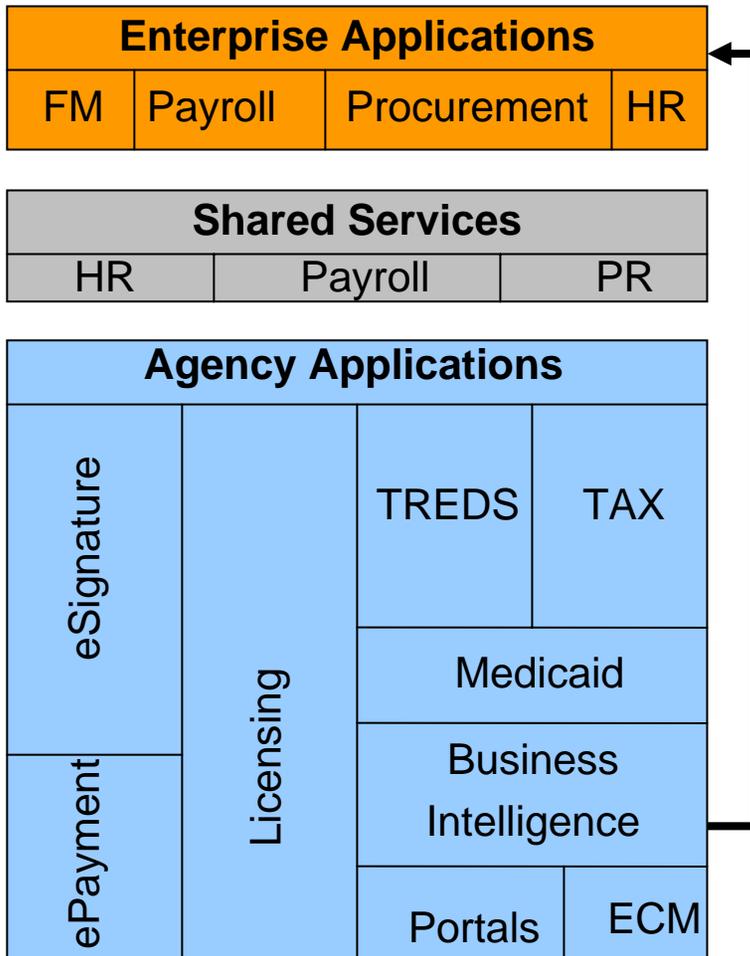


Proposed Solutions

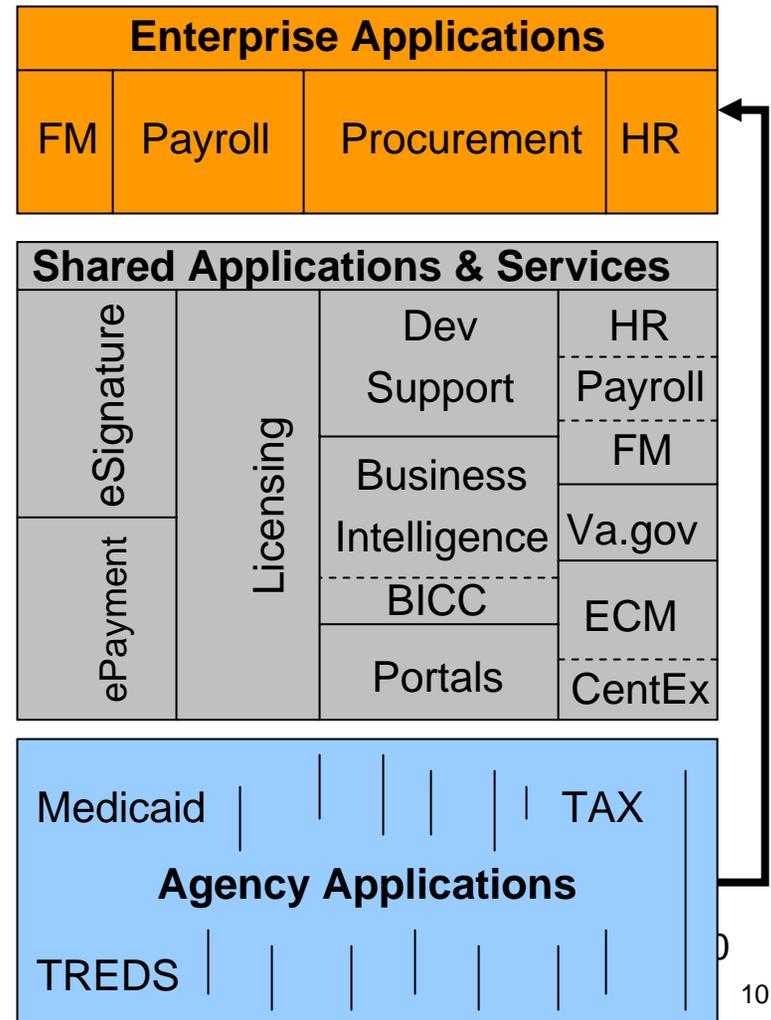
- An integrated, enterprise-wide business capability
 - Financial Management, Performance Budgeting, Human Resources, and Supply Chain Management and Administration
- Data consolidation and standardization effort
 - Improve the quality of information for management decision making
- Competency Centers
 - Service centers for business needs
 - Cross functional Business Intelligence
 - Rapid querying and reporting capabilities for staff and management
 - Systems development, maintenance and support
- “One-stop shopping”
 - 30,000 vendors transacting business with the Commonwealth using an online portal for registration, bids, awards, and payments
 - 70,000 Commonwealth employees using online portal for benefits, retirement, and leave

Enterprise Applications Vision

“AS-IS”



“TO-BE”



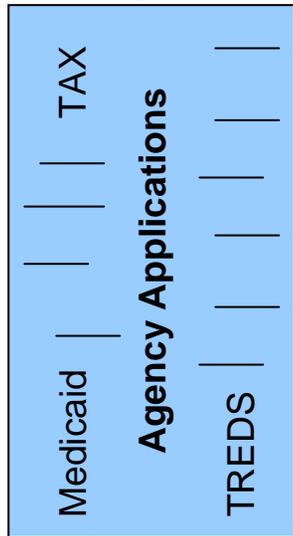
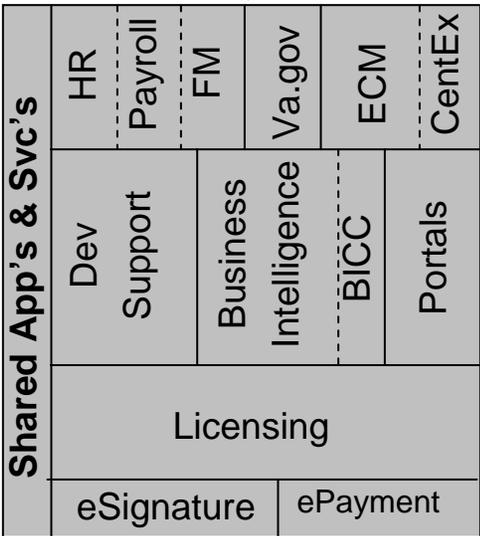
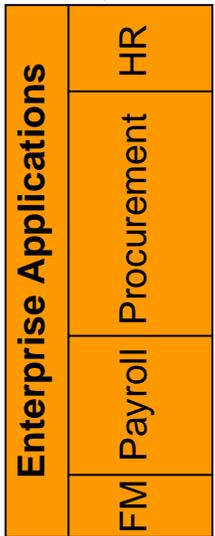
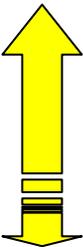
Application Resourcing Goals



VEAP involvement with Cost Recoveries

Resourced by the Enterprise

Resourced by Agencies



Users →

All

Many

One

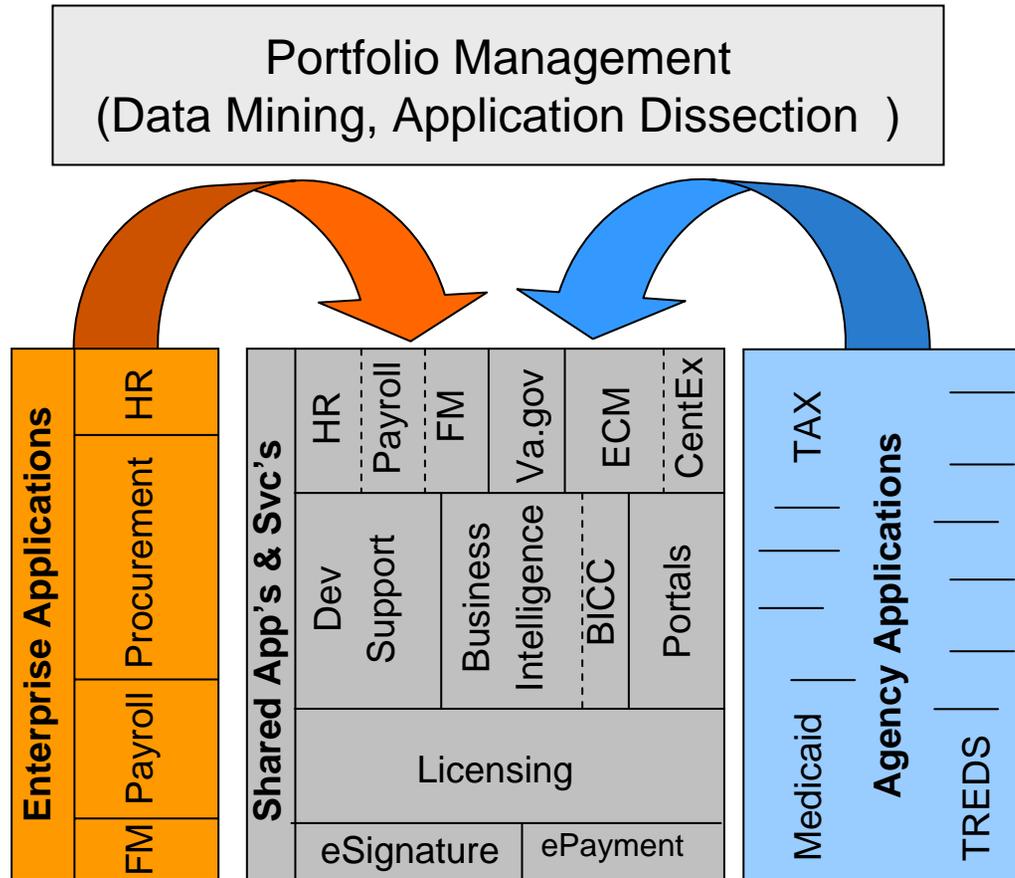


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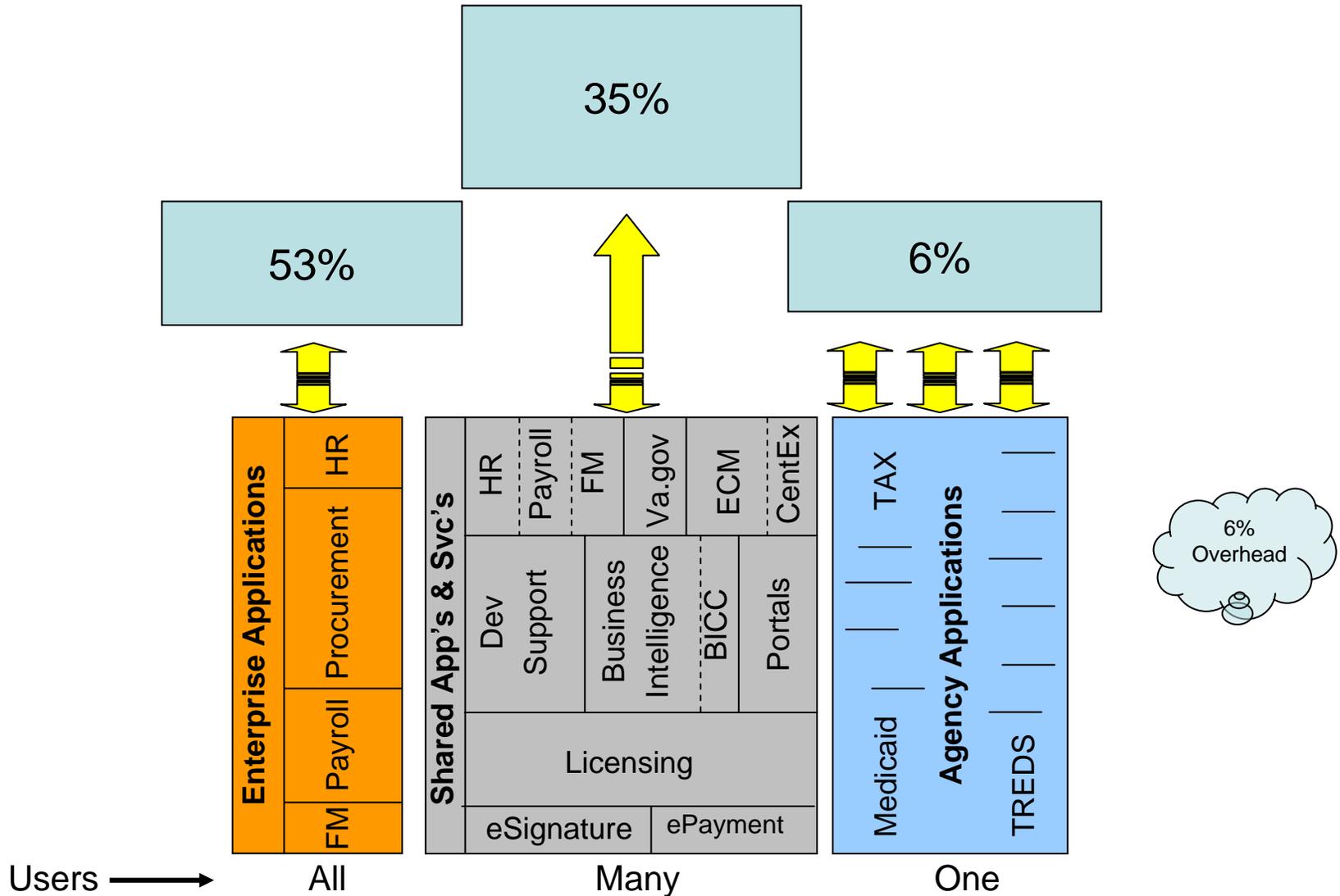
Commonwealth Financial Perspective:

“The more Shared Services, the Better”



“One size does not fit all”
But consolidations will occur

VEAP Resource Allocation by Budget



Resource Requirements

- Budget language allows for 3 MELs
 - Director plus 2 others
 - One currently filled by PB PM
 - One part time (P-14) filled for Data Standards
 - State employee position to the length of the project (restricted)
 - COVA employees harder to recruit
- Pursued obtaining additional MEL
 - Secured seven temporary MELs from VDOT
 - Position descriptions to DHRM
 - Actively advertising for Business Intelligence Competency Center positions
- Submitted additional MEL requirements to DPB and SoF
 - Requirements for PMO and all projects (including VERIS)
 - 36 MELs in FY10
 - Position descriptions submitted to DHRM