

Cardinal Status Report

Information Technology Advisory
Council

October 31, 2016



Virginia Department of Accounts

Financial Accountability. Reporting Excellence.



What is Cardinal?

- **Department of Accounts (Comptroller's Office) and Department of Transportation (VDOT) Partnership**
 - Both needed to replace non-upgradable legacy financial management systems
 - IT governance initiatives sought to reduce agency-based administrative systems
 - VDOT had initial funding and agreed to meet statewide requirements
- **Enterprise Resource Planning (ERP) – PeopleSoft**
 - VDOT decommissions heavily customized PeopleSoft version 6.0
 - DOA decommissions 30 year-old statewide legacy system
- **Modern Technology Platform**
 - Essential first step towards providing needed business functionality to agencies to optimize benefits of full ERP solution so select agency-based administrative systems can be retired and related systems support cost savings can be realized

Cardinal Background

Year	Activity
2004-2005	VDOT Financials replacement project planning, Develop ERP business case – administrative system duplication/redundancy, legacy system risk, Analyze ERP software packages – decision to implement PeopleSoft
2006	Original ERP Plan - \$318 million total for Financials/Budgeting, HR/PR, Purchasing Governor requested \$30 million to get started (e.g., established PMO, define system requirements) Just \$11 million appropriated by General Assembly
2007	“Plan B” – original ERP Plan project scope narrowed to Financial Management/Budgeting Completed system requirements definition and RFP planning
2008	Cardinal Plan – Economic downturn resulted in no additional funding for Plan B in Governor’s introduced budget - strategy to partner with VDOT developed
2009	RFP for software and integration services, Accenture and Oracle contracts established
2010	VDOT, Accounts and Accenture work on Cardinal Part 1
2011	Successful go-live date for VDOT (Part 1) – December, 2011
2012	Successful go-live date for Accounts (Part 2) – October, 2012
2014	Successful go-live date for Wave 1 – October, 2014
2016	Successful go-live date for Wave 2 – February, 2016

Part 1 VDOT

Functions in Scope:

- General Ledger
- Accounts Payable
- Accounts Receivable
- Project Accounting
- Procurement
- Time and Attendance

- New Statewide COA
- 5,000 End Users Trained
- Retire FMSII

Part 2 Comptroller's Office Enterprise Base System

Functions in Scope:

- General Ledger
- Accounts Payable
- Limited Accounts Receivable (Funds Receipt)

- Enterprise Base System scope limited to current functionality

Part 3 Statewide Rollout Enterprise Base System

Rollout:

- Wave 1 – 148 Cardinal-only agencies, 469 users (Oct, 2014)
- Wave 2 – 130 interface agencies, 1,290 users (Feb, 2016)

- Retire Legacy Financial System (CARS)



Near-term Plans

- **PeopleSoft Version 9.2 Upgrade**
 - Version 9.1 has been in production since 2011
 - Mainly technical upgrade extends software support
 - Also upgrades hardware, database, PeopleTools and related PeopleSoft configuration and training simulation tools
 - Synchs version with planned Cardinal Payroll implementation
 - Future upgrades under Oracle's Continuous Delivery Model
- **CIPPS Replacement with Cardinal Payroll**
 - CIPPS was originally implemented in mid-1980s
 - CIPPS standard vendor provided federal/state tax software updates ceasing
 - Scope includes PeopleSoft Payroll and limited HR and Base Benefits, Time and Attendance/Absence Management
 - Scope limited to functionality required to process/report health insurance and retirement benefit deductions and time/labor distribution and leave liability in payroll – PMIS interface enhanced, BES and VRS interfaces developed
 - Release 1 Go-Live – April 2018 (25% employees), Statewide Go-Live – October 2018



Near-term Plans

- **Cardinal Business Intelligence (BI)**
 - Complements operational reporting available in the transactional system
 - Additional visibility, openness and accessibility to financial activities
 - Tools and information to help visualize key information at a summary level with drill down capabilities
 - Scope includes General Ledger, Accounts Payable, Employee Expenses, and Accounts Receivable Deposits, Purchasing (VDOT only)
 - As additional Cardinal modules and functions are added, BI scope will expand
 - Released as pilot to DOA and VDOT in June 2016
 - Statewide release – October, 2016



Next Steps

- **Modern Technology Platform**
 - Essential first step towards providing needed business functionality to agencies and optimize benefits of full ERP solution so that select agency-based administrative systems can be retired and related systems support cost savings can be realized
- **Cardinal Financials Modules**
 - Project Accounting – also effective for grants management
 - Accounts Receivable – includes billing functionality
- **APA Survey/Report**
 - Results Pending
- **Constraints**
 - Development capacity limited during Payroll implementation
 - Funding model – WCA and ISF
 - Critical mass needed for investment – statewide or agency consortiums versus agency-by-agency