

Meeting Minutes

Financial and Cash Management Policy Workgroup



Meeting Name:	Financial and Cash Management Policy Workgroup
Date:	9/17/2008
Time:	2:00 – 4:00
Location:	2103, Capital
Requestor:	Doug Darling, Project Director

Attendees:

Name	Entity
Michael Russo	AEIT
Angela Rowe	DFS, A&A
Christina Smith	DFS, A&A
Doug Darling	DFS, A&A
Susan Sloan	DFS, A&A
Kimberly McMurray	DFS, Treasury
Charles Covington	DMS/Procurement
Walt Bikowitz	DMS/MFMP
Bruce Topp	House
Joanne Leznof	House
Sharon Bradford	House
Skip Martin	House
Erika Roth-Prado	OPB
John Douglas	OPB
Kristin Pingree	OPB
Renee Gunn	OPB
Cynthia Kelly	Senate
Eliza Hawkins	Senate
Joe Brigham	TRW

Work Products Reviewed:

Governance Document and Governance Diagrams

Agenda:

- Introductions
- Review Governance Document (Handout #1)

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- a. Validate the Background on State Governance Section
 - b. Validate the Current State Governance Section
 - Review Levels of Governance in Current Structure (Handout #2)
 - Review Updated Meeting Schedule:
 - a. Wednesday, September 17th
 - b. Friday, October 3rd
 - c. Wednesday, October 15th
 - d. Wednesday, October 29th
 - e. Friday, November 14th
 - Other items
 - Adjourn
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DISCUSSION

- Doug opened the meeting with an explanation for the change in meeting date for the Task Force meeting. The Task Force meeting was moved from September 15th to September 30th due to an error in public announcement for the meeting. We did not want to start the Task Force off without a properly noticed public meeting. Doug apologized for the error.
- Christina asked if there were any concerns/revisions with the minutes from the previous meeting. The group approved the minutes. Christina explained that the minutes will be posted on the Task Force website and the main purpose of the minutes is to capture the issues the group discussed and how we arrive at recommendations.
- Christina then directed the group to the draft Governance document (handout #1) and explained that the document will evolve based on the discussions from the workgroup.

Introduction

Christina explained that the introduction was built based upon the group's conversation from the previous meeting. There appeared to be a need to distinguish the different types of "governance" that were mentioned in the previous meeting and highlight the elements that should be included in any governance structure to make it

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effective. This will be the foundation for the workgroup's recommendation. The recommendation should probably address the types of governance that is needed (IT, Project, and Enterprise) and have all the effective elements.

Background on State Governance

Christina explained that the purpose of this section of the document is to provide an overview on the governance entities that exist in the State today and highlight their strengths and weaknesses. The discussion began with the **Council on Efficient Government (CEG)**. The Council provides oversight on the approval of major outsourcing projects. The Council was added to the document because there is a potential for CEG's decision making to collide with the "Enterprise Governance Group." For example, the implementation and support for the enterprise system is being outsourced (i.e., PeopleFirst) and the "Enterprise Governance Group" approves the new system but the CEG may not. The group agreed that council's involvement should be a consideration all be it a minor consideration in the scheme. Christina asked if the **Agency for Enterprise Information Technology (AEIT)** should also be included in this section of the document. Since the Agency is newly created, she was unsure of their role at this time. The group had a discussion on what makes the AEIT different from its predecessor, the State Technology Office (STO). The AEIT unlike the STO has a defined scope in statute, does not provide services, and reports to the Cabinet. The AEIT is newly created and therefore untested. However, it has the successful elements for a governance structure: transparency, accountability, defined role and responsibilities. There is a governance structure outlined in Section 216.023(4)(a) that is related to AEIT. The group agreed that AEIT should be included in the section. Christina asked the group to discuss the ineffective/effective elements for the **Florida Financial Management Information Systems Board (FMIB) and Financial Management Information Systems (FMIS) Council**. The FMIB lost it's effectiveness when one of the members did not wait for a review/approval from the Board before moving forward with implementing a new human resource system. The request for Board approvals diminished after this event. Christina pointed out that the statute lists specific systems and not the business functions the systems represent. This could lead to an interpretation that the FMIB's purview does not apply to the State's new human resource system and procurement systems. The FMIS Council met once a year to prepare a strategic plan for the core systems of the State. It was pointed out that the council was focused on fixing the existing systems but never had a strategic vision. Christina was not sure that the council had the appropriate individuals with the appropriate knowledge to provide a strategic plan thus the need for a task force. The **ERP Integration Task Force** was also created to provide recommendations to the council on the ERP architecture and integration for the State. The ERP Integration Task Force moved several recommendations before sun setting.

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It appears that none of the recommendations were implemented. The group then had a general discussion on the weaknesses with the current governance structures in the State:

- Must have a commitment by the members
- Must have an ability to enforce their decisions
- Must be able to accommodate changes in administration
- Subcommittee members must have accessibility to the Governance members

Current State/Levels of Governance in Current State

Christina asked the group to look at a visual diagram (see Handout #2) of the actual governance structure. Since there isn't an effective governance structure over the State's enterprise systems, the decision making is occurring on a system by system basis. The group had a discussion on how AEIT is depicted in the diagram. AEIT is not a system but provides decision making on data centers and security that have an impact to the other systems. The group also felt that the Legislature is the "policy level of governance" and the FMIB/Cabinet members are actually the business owners of the core functions. The group agreed to the following changes:

- AEIT should be distinguished differently by having a line separating it from the systems.
- The AEIT heading needs to be changed to "Data Center/Security"
- OPB requested that the diagram include LAS/PBS.
- All arrows should go in both directions
- The slide for the Appropriation level will be renamed "Policy/Appropriation" level.
- The slide for the Policy level will be deleted.
- The slide for the Business Owner level will be changed to include the FMIB and Cabinet.
- Add page numbers to all the slides

Christina explained that the workgroup's governance recommendation needs to include all the entities depicted in the current state as well as incorporate all the levels that have decision making responsibilities.

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- The group concluded their discussion on the current state (As-IS) and agreed there was time remaining to begin a discussion on a recommended governance structure (To-Be).

Recommended Governance Structure

Christina provided a new diagram (see Handout #3) to the workgroup that shows a proposed governance structure. She explained that the concept was borrowed from the U.S. Army and was revised to incorporate the governance entities for the State.

The first page of the handout is an overview of the levels in governance. The group agreed with the overview and made a correction to the legislative level. The Legislative summary should be changed to indicate that they make the “final decision” about policy/appropriations for ERP programs and provides oversight on the ERP programs.

The second page of the handout is the proposed members for the Strategic Enterprise Business Policy Council. The group felt that the AEIT director should not be a voting member and should be depicted as an “ex officio” member. Doug explained the need for the CFO and Governor to share their decision making when it comes to the core functions of the State and therefore be “Co-Chairs” for the council. There is still a concern that the members could act independently and jeopardize the effectiveness of the council. Christina asked that this be discussed further at the next meeting.

The third page of the handout is the proposed structure/members for the Program level. The program level consists of an ERP Committee that provides recommendations to the Policy Council. The committee has two core groups, integration and business, that review issues that are raised from the Business owners for the core functions of the State. This slide required several corrections:

- The DMS/DFS/AEIT need to be deleted from the Policy Council Box
- The director boxes should actually depict the core functions for the State. Therefore the MFMP Project Director will be changed to “Procurement,” the PeopleFirst Director will be changed to HR, and the FLAIR/CMS Director will be changed to “Financials.”

Christina explained that the ERP committee should meet on a regular basis to address the operational decisions that have an impact across functions as well as to provide recommendations on the policy decisions that are needed. She explained that the

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governance document will be expanded to include details for the proposed structure and that the group will be reviewing the document at the next meeting.

- Christina provided the group with meeting dates for the task force:
Sept 30th – Adopt the Project Charter
Oct 21st – Adopt the Recommended Governance Structure
Nov 11th – Adopt the recommendations for Funding
- Christina also reviewed the meeting schedule for the workgroup:
Oct 3rd - Recommended Governance
Oct 15th - Proposed Law for Governance
Oct 29th – Funding Options
Nov 14th - TBD

Christina expressed a need for the attendees to raise any concerns by the next meeting so that the group can discuss and finalize the governance recommendation before the Task Force meeting on October 21st.

ACTION ITEMS

Action	Responsible	Due Date
Update Governance Document	Christina Smith	9/26/08
Update Governance Diagrams	Christina Smith	9/26/08
Send Revised Project Charter	Christina Smith	9/24/08