

# **Financial and Cash Management Task Force**

**Governance Document**

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# Financial and Cash Management Task Force

## Governance Recommendation



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# 1 Governance

## 1.1 Introduction

What is governance? Governance, by definition, is to control and direct the making and administration of policy. This definition can be applied in many areas, both at the macro and micro levels in state government. A governance structure can issue policies on the management of information technology (IT) resources or management of projects at the micro or macro level of an organization. A governance structure can also make strategic business decisions at the macro level. All levels of governance have an inter-relationship and an impact on the organization. There is not a “one-size-fits-all” approach for governance in the public sector.

### 1.1.1 Project Governance

A Project’s governance model provides an efficient and effective process for making decisions that impact the overall success of the project. The governance structure allows input from Project staff, external entities, and the Project Director with decision making by the Steering Committee or Project Sponsor. The following are some examples of items considered in the Project governance process:

- Impact on scope
- Impact on schedule
- Impact on funding

### 1.1.2 Information Technology (IT) Governance

An agency’s IT governance model provides for the efficient and effective management of IT resources. The governance model is typically used for organizations with a variety of customers with competing priorities. The governance structure allows input from the customer, IT staff, and Chief Information Officer (CIO) with decisions made by agency leadership. The following are some examples of items considered in the IT governance process:

- IT staffing levels and levels of expertise
- Level of effort required to support each request
- Availability of existing technology vs. new acquisitions
- Management’s priority of requests and current assignments

### 1.1.3 Enterprise Governance

An Enterprise Governance model provides a process for making strategic business decisions and the establishment of policies that impact the entire organization. The governance structure allows input from various components/divisions of the organization with decisions by the key stakeholders for the business. In the public sector, this can be applied to how an agency manages decisions related to their Long Range Performance Plan. It can also be applied to how the Executive branch manages the business operations for state agencies. The following are some examples of the items considered in the Enterprise governance process for the public sector:

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- Promotes accountability and fiscal responsibility
- Promotes public services for citizens
- Impact on budget
- Requirement in state law or rule

### 1.1.4 Elements for Effective Governance

The effectiveness of any governance program is determined by management's commitment, resolve, and oversight. Management should set the governance mission, goals, objectives, and direction. An effective governance structure should:

- Be transparent and accountable
- Have clearly defined roles and responsibilities
- Have the authority to make decisions
- Have a clearly defined escalation process that identifies when issues need to be raised to the decision making group
- Have a clearly defined decision making process that supports both a proactive approach for new ideas and reactive approach for resolving issues
- Make decisions in a reasonable time frame

The recommended enterprise governance structure in Section 1.6 will include aspects of IT and business policy decision making at the enterprise level. The recommended governance structure for Enterprise Projects in Section 1.7 will be based on best practices and will include an explanation of its relationship to the enterprise governance. Both recommended governance structures will encapsulate the elements for effective governance.

## 1.2 Background on Florida's Governance Entities

The State of Florida has many governance entities established in law that perform oversight, decision making, or set policy for business processes, business systems or specific state entities. Below is a brief overview on each entity and their role as defined in law. These entities have the responsibility of making policy decisions and should be taken into consideration when developing the recommended enterprise governance structure that is outlined in Section 1.6.

### 1.2.1 Legislature

The Legislative branch is the law-making branch for state government and makes the final decisions on laws and funding for the state.

### 1.2.2 Financial Management Information Board (FMIB)

The Florida Financial Management Information Systems Act (FFMIS), Section 215.90, F.S., was created by the Legislature with the intent that the executive branch, in conjunction with the legislative fiscal committees, would develop and implement the Florida Financial Management Information Systems. The integrated systems would serve the purpose of managing the financial affairs of state government. The Financial Management Information Board was created to adopt

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policies and procedures that would facilitate the successful and efficient integration of the state's central administrative and financial management information systems.

The Florida Financial Management Information Systems, pursuant to Section 215.93 F.S., are comprised of:

- Legislative Appropriation System – Planning and Budgeting Subsystem (LAS/PBS)
- Statewide Purchasing Subsystem (SPURS)
- Florida Accounting Information Resource Subsystem (FLAIR)
- Cash Management Subsystem (CMS)
- Cooperative Personnel Employment Subsystem (COPES)

The FMIB members are the Governor, Attorney General, Chief Financial Officer and Commissioner of Agriculture.

The FMIB is responsible, pursuant to Section 215.91, F.S., for adopting policies and procedures to:

- (a) Strengthen and standardize the fiscal management and accounting practices of the state
- (b) Improve internal financial controls
- (c) Simplify the preparation of objective, accurate, timely fiscal reports
- (d) Provide the information needed in the development, management, and evaluation of public policy and programs

The FMIB has not held a meeting since February 2005.

### **1.2.3 Florida Financial Management Information Systems (FFMIS) Coordinating Council**

The Financial Management Information System Coordinating Council is responsible for implementing and monitoring the activities of FFMIS. The Council members are the Chief Financial Officer, Commissioner of Agriculture, Secretary for Department of Management Services, Attorney General, and Director of Planning and Budgeting, Executive Office of the Governor, or their designees.

The Coordinating Council is responsible, pursuant to Section 215.91, F.S., for the approval and oversight of:

- (a) Information subsystems' designs prior to the development, implementation, and operation of the subsystems and subsequent proposed design modifications
- (b) The exchange of unified and coordinated data between information subsystems
- (c) Resolution of problems between functional owners

The FFMIS Council has not held a meeting since January 2005.

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### 1.2.4 Enterprise Resource Planning (ERP) Integration Task Force (sunset July 1, 2005)

The FMIB established the ERP Integration Task Force to provide recommendations to the FMIB to facilitate the successful and efficient integration of the central administrative and financial management information systems.

On November 25, 2003, the task force submitted its first set of recommendations to the FMIB. The report contained the following recommendations:

- (a) Adopt the goal of determining the best means of satisfying the enterprise information and reporting needs of Florida state government and direct the task force to produce and publish an Enterprise Information Needs Analysis as a first step toward that goal.
- (b) Undertake legislative action to modify the membership of the FMIB to include the Commissioner of Agriculture and that the membership of the ERP Integration Task Force be modified to include his designated representative.

The FMIB adopted both of these recommendations.

The Task Force enlisted the professional expertise of Worldwide Integration to provide an integration assessment of FFMIS to the task force and FMIB. The report was published on December 2004 and contained the following recommendations:

- (a) FMIB should adopt the goal that selected ERP subsystems in its purview migrate to a single software application platform for increased efficiency, lower cost, improvement of operations, reduced complexity of integration and a lower training/skills burden on the system.
- (b) The migration to a single platform should be accomplished in phases and done in such a manner as to ensure the successful, cost effective operation of systems within a phase before progressing to the next phase. Because the financial subsystems are the core of the single software application platform, the state's accounting and cash management subsystems shall be the systems to initially migrate. Subsequent phases shall include the purchasing, human resource, and payroll subsystems.
- (c) The FMIB should direct the development of a migration strategy to accomplish this transition as soon as feasible but before 2010. The strategy shall be prepared in writing and submitted to the FMIB on or before June 30, 2005.

There was no action taken on these recommendations. The legislation that created the Task Force and funding that provided for contracting services on behalf of the Task force expired July 1, 2005.

### 1.2.5 Council on Efficient Government

The Legislature passed the Florida Efficient Government Act of 2006 (Chapter 2006-224 Florida Law), Section 287.0573, F.S., which created the Council on Efficient Government. The Council establishes standards for business case studies and issues policies requiring the review of a

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business case study for any outsourced project exceeding \$10 Million. The implementation of the human resource management system and the procurement system were outsourced prior to the Florida Efficient Government Act; therefore, these projects were not subject to review by the Council. However, it's important to note that any decisions to outsource the implementation of future enterprise applications would require the review of the business case study by the Council.

### **1.2.6 Agency for Enterprise Information Technology (created July 1, 2007)**

The Agency for Enterprise Information Technology (AEIT) was created in July 2007 (Chapter 2007-153 Florida Law). AEIT is responsible, pursuant to Section 14.204, F.S., for developing strategies for the design, delivery, and management of the enterprise information technology services established in law. AEIT will establish policies for the management of enterprise information technology services and provide oversight on projects to implement enterprise information technology services.

The governance entities discussed in this section have been established in law for the purpose of providing oversight and establishing policies for the enterprise. However, the state's inability to re-engineer/standardize business processes and improve enterprise reporting indicates that there are deficiencies in the governance process.

### **1.3 Background on Florida's Current Governance Process**

The state governance entities' inability to set and enforce enterprise policies has resulted in the core business functions being governed independently with the focused primarily on technical modifications to each enterprise system. Decisions are being driven by user needs and are not focused on standardization and re-engineering of business processes. Below is a brief background on the entities that participate in the governance process for each of the FFMIS sub-systems. These entities will need to be incorporated into the recommended enterprise governance structure in Section 1.6 and retain their ability to provide input to the decision making process.

#### **1.3.1 Florida Accounting Information Resource System (FLAIR)**

The FLAIR system provides a tracking of the state's daily transactions for financial reporting purposes. The system controls budget and cash balances, and provides data elements for tracking project, grant, contract costs and the recording of assets.

The current governance structure for the FLAIR includes the following entities:

- ***The FLAIR User Group*** has representatives from both the information technology and financial areas of state agencies.
- ***The FLAIR Enhancement Committee*** is a subset of users that review system enhancement requests from the agencies and sets a priority for each request.

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- *The Chief Financial Officer* has staff from the Divisions of Accounting and Auditing, Treasury, and Information Systems review all system enhancement requests and make final decision on the priorities for implementing each request.

### 1.3.2 Cash Management System (CMS)

The Cash Management System performs the treasury and investment functions for the state. The system is comprised of 16 applications and is used primarily by the Division of Treasury within the Department of Financial Services. The Division of Treasury on the behalf of the Chief Financial Officer governs the Cash Management System.

### 1.3.3 People First

People First is the state's self-service, online, human resource system and the enterprise-wide suite of human resource services as performed by Service Center staff. The system streamlines and automates the state's human resource functions, such as payroll and benefits administration, hiring, and personnel management.

The current governance structure for People First includes the following entities:

- *The Department of Management Services (DMS) People First Team* administers and oversees the contract and ensures compliance with state and federal policies, procedures, statutes and rules; provides customer support and issue resolution; develops requirements and implements enhancements to the system; and researches and plans for the successful transition to the future web-based system and suite of human resource services.
- *The DMS Divisions of Human Resource Management and State Group Insurance* provides policy guidance for system and Service Center business processes.
- *The Department of Financial Services (DFS)* establishes file requirements for payroll and other financial interfaces, such as direct deposit.
- *Agency and University Human Resource Officers* make requests for changes to the People First system and recommend service improvements for the Service Center.

### 1.3.4 MyFloridaMarketPlace (MFMP)

MyFloridaMarketPlace is the state's online, e-procurement system and the enterprise-wide suite of purchasing services in the areas of commodities and services for 31 executive branch state agencies and the Legislature's Office of Legislative Services (OLS), making 32 agencies in total. The system streamlines and automates the state's purchasing functions and is integrated with FLAIR.

The current governance structure for MyFloridaMarketPlace includes the following entities:

- *The Department of Management Services (DMS) MyFloridaMarketPlace Team* administers and oversees the contract and ensures compliance with state policies, procedures, statutes and rules; provides customer support and issue resolution; develops requirements and implements enhancements to the system.

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- **DMS Divisions of State Purchasing** provides policy guidance for state agencies in the area of purchasing, policy and direction for the system and procurement business processes for the customer agencies that utilize MFMP.
- **The Department of Financial Services** establishes file requirements for purchasing and other MFMP/FLAIR interfaces, such as vendor additions to the statewide vendor file and others.
- **MyFloridaMarketPlace Change Review Board (CRB)**, which is made up of volunteer agency Purchasing Officers, assists DMS in prioritizing change requests.
- **Agency Users and Other Stakeholders** make requests for changes and recommend service improvements for the e-procurement system to the MyFloridaMarketPlace Team. Additionally other stakeholders, such as the Legislature through statutory changes or DFS through FLAIR enhancements, will make requests for changes and system improvements.

### 1.3.5 Agency for Enterprise Information Technology (AEIT)

AEIT has minimal staff and has oversight including policy issuance for specific enterprise information technology services for the current fiscal year. The law has specified data security (Section 282.318, F.S.) and the consolidation of data centers (282.201, F.S.) as the enterprise information technology services.

The governance structure is outlined in law, but has not been utilized to date. The structure includes the following entities:

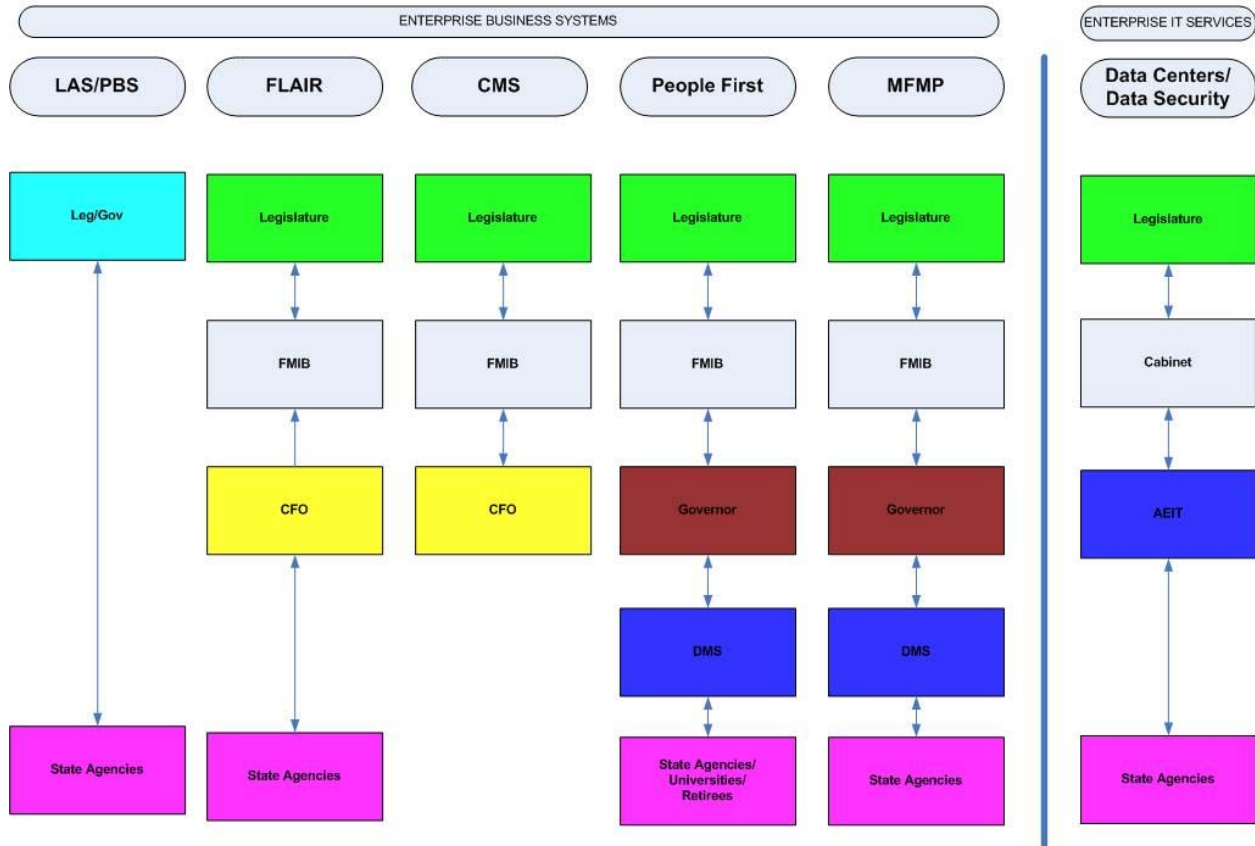
- **State Agencies** support the AEIT in the development of a strategic enterprise information technology plan and adhere to the policies issued by AEIT.
- **Agency Chief Information Officers Council** supports the AEIT in the development of a strategic enterprise information technology plan.
- **The Governor and Cabinet** make final decisions on the information technology services that are to be designed, delivered and managed in the state.

It is important to allow the state agencies and user groups to provide input into changes to business processes and the systems supporting those business processes. However, the state needs a stronger enterprise governance structure that will make decisions on the end-to-end business processes and break the state's trend of managing in silos based on specific enterprise systems. The diagram below provides a graphic depiction of the state's current governance structure that results in business decisions being made by enterprise system instead of by business process.

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## Current Governance



### 1.4 Lessons Learned in Florida's Governance

The lessons learned in the state's governance have been documented in various reports. The most recent being the Council on Efficient Government: Report to the Governor published January 17, 2008 and Gartner's evaluation of Project Aspire published May 17, 2007. The underlying theme in both reports was the lack of enterprise governance that provides a strategic plan and promotes changes in business processes.

#### 1.4.1 Council on Efficient Government: Report to the Governor on MyFloridaMarketPlace, People First, and Project Aspire

The Council on Efficient Government published a report that reviewed the three ERP projects, MyFloridaMarketPlace, People First, and Project Aspire, undertaken by the state and focused on the following areas that impacted the projects execution:

- Executive sponsorship
- Planning
- Funding

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- Stakeholder buy-in
- Business process change
- Project management
- Nature of state governance

The findings for business process change and nature of state governance are the most applicable to the enterprise governance and excerpts from the report are included below. The findings for executive sponsorship and project management will be discussed as part of the recommendation for enterprise project governance in Section 1.7 of this document.

### Business Process Change

Government must have the ability to adapt processes to incorporate efficiencies that new technologies offer. Stakeholders must understand that compromises must be made and that they may be asked to reconfigure or eliminate old processes to achieve future efficiencies. The projects reviewed have generally gone against the industry best practice by over-customizing the vendor systems. These customizations often require additional costs to implement and render the system sub-optimal.

### Nature of State Governance

Public policy changes related to changes in the administration and legislature, as well as political pressure from internal and external sources are difficult if not impossible to build into any project plan. The original desire to achieve stated project goals may no longer exist or the environment may change which no longer fosters the initial project vision.

These findings support the need for a Strategic Enterprise Business Plan and the establishment of an enterprise governance structure to support the standardization of business processes that leverage new technology.

### **1.4.2 Gartner's Evaluation of Project Aspire**

Gartner was hired in February 2007 to provide an independent, objective third party evaluation and assessment of Project Aspire with a focus on steps needed to successfully complete the project, as well as long-term issues of maintainability/upgradeability. Three of the seven findings are applicable to the state's need for a Strategic Enterprise Business Plan and the establishment of enterprise governance and are provided below.

#### Finding # 1 – Lack of an executive governance process

There is a lack of an executive governance process to provide discipline, executive guidance and decision making; consequently resulting in:

- Software that has been customized beyond normally acceptable limits
- Process standardization not being addressed
- Expectations of financial leaders are not consistent

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- Key stakeholders at the senior level have not been engaged in the implementation

### Finding #2 – No statewide ERP vision and strategy

The scope of the Aspire project is limited to financial management with the state; consequently resulting in:

- Complex interfaces and product modifications that are required to enable end-to-end processing of financial transactions with MFMP, People First, FLAIR-Payroll Subsystem, and LAS/PBS
- High and increasing cost and effort levels to develop and maintain integration
- Aspire is also dependent on funding of other state initiatives which if not adequately funded, may negatively impact the interface work being completed for Aspire

### Finding #3 – External environment changes affect long-term viability

External environment changes may critically affect the long-term viability of the PeopleSoft application.

- A comprehensive statewide ERP and Enterprise Architecture strategy would better align the technical solution with business objectives and investment
- Unclear and dated mapping of business requirements to the technical solution
- Opportunity to follow best practices and reduce customizations of the technical solution through business process re-engineering

Gartner's recommendation was to establish governance and funding processes and develop a statewide ERP strategy before moving forward with a System Integration (SI) partner.

The known failures as identified in the Council on Efficient Government report go hand in hand with the known failures identified in the Gartner report and re-enforce the need for establishing an enterprise governance structure and developing an enterprise strategic business plan for the state. Both reports identified the lack of authoritative governance and proper vision for the state.

## **1.5 Recommended Scope for Enterprise Governance**

The state needs to change from governance that is system centric to governance that is focused on standardizing end-to-end business processes for the core business functions: financial reporting, cash management, purchasing, human resource management, and budget administration. The recommended enterprise governance structure will be responsible for making decisions on the standardization of enterprise business processes and developing an annual Strategic Enterprise Business Plan for the state.

### **1.5.1 Enterprise Business Processes**

Enterprise business processes are business processes that can be automated, cross multiple agency boundaries, have an impact on the state's financial records, and should be standardized.

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Enterprise governance will establish operational policies consistent with law for the standardization of the following enterprise business processes:

- Personnel Hiring to Separation Financial Business Process
- Procurement to Payment Business Process
- Asset Acquisition to Disposal Business Process
- Revenue Billing to Clearing Receipts Business Process
- Budget Administration Business Process
- Financial Record to Reporting Business Process

Each enterprise business process represent the life cycle of a core business operation in the state. These business processes will be further defined in the Business Process deliverable that will be presented to the Task Force at a later date.

### 1.5.2 Strategic Enterprise Business Plan

Enterprise governance must establish a Strategic Enterprise Business Plan that documents that state's current enterprise business processes and the current enterprise systems that support the enterprise business processes. The plan will establish annual goals for improvements in enterprise business processes, enterprise reporting, and enterprise data management. The plan will also identify the enterprise policies that will be issued/requested in support of the improvements. The Strategic Enterprise Business Plan must provide information in the following areas:

- **Enterprise business processes** – Creation of business process flow diagrams outlining the high-level process steps for enterprise business processes that must be followed by all the state agencies. The diagrams should also indicate the enterprise system(s) performing these functions and the integration points with other systems.
- **Recommended enterprise business process improvements** – Recommendations for enterprise business process improvements that should be implemented over the next fiscal year. The recommendations should include any associated system impacts, life cycle cost impacts, and enterprise reporting impacts. The recommendations should be prioritized based on the impact on existing resources (i.e., budget and workload).
- **Enterprise reporting needs** – A listing of the type of information associated with each enterprise business process that is currently provided to the state's policy makers. The list should include new enterprise reporting needs that are to be implemented over the next fiscal year.
- **Enterprise policies** – Recommendations on policies needed to support the enforcement of enterprise business processes, enterprise reporting needs, and enterprise business process improvements.
- **Enterprise data management plan** – Documentation of current data management in all enterprise systems that includes who is responsible for the maintenance of the data, current measures/policies for maintaining data security, measures for maintaining data integrity between systems, and identification of data redundancy between systems. Also,

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include a risk assessment on access to confidential data and a plan for addressing, improvements to internal controls for areas that have been identified as high risk. Provide recommendations on data management improvements that include the associated enterprise system impacts and life cycle cost impacts. Recommendations for improving data management should be prioritized based on the impact to existing resources (i.e., budget and workload).

- **Enterprise Technology Architecture Plan** – Documentation of the enterprise hardware, software, and IT environments (i.e., network, web-portals) that supports the enterprise business processes and enterprise reporting. Plan should include recommendations on improving access control, system performance, and/or hardware/software purchases that would improve the State's ability to perform enterprise business processes and/or enterprise reporting needs.
- **Current Life Cycle Costs** – Identification of the life cycle costs to maintain the current enterprise systems and IT environments. This information will serve as a baseline for evaluating future recommendations for business process and reporting improvements for the enterprise. It is important to note that the life cycle costs will not include any maintenance costs associated with agencies' business systems that may perform the same business processes as an enterprise system

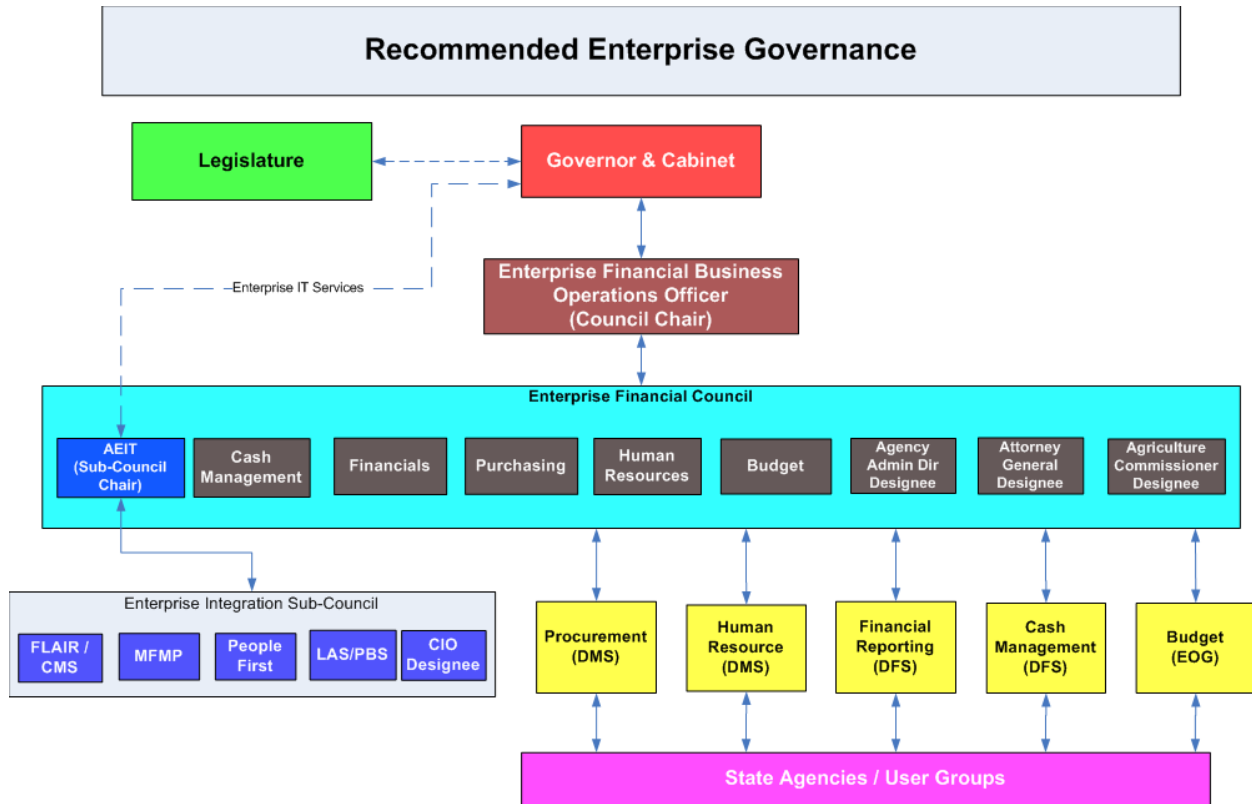
By focusing the scope of enterprise governance to oversight of enterprise business processes and the establishment of a Strategic Enterprise Business Plan, the state will be in a better position to re-engineer/standardize business processes, improve the state's enterprise reporting, and take advantage of new technologies that support the enterprise business processes.

### **1.6 Recommended Enterprise Governance Structure**

The state's governance structure must have clearly defined roles, responsibilities, and an understanding of the relationships between each role. There is a need for three levels of governance that (1) allows business owners to make decisions that do not impact the enterprise, (2) establishes an enterprise financial council that makes decisions for the enterprise, and (3) provides executive sponsorship when laws and funding issues need to be addressed.

The responsibilities embodied by the state's current governance entities are applicable to the recommended enterprise governance, but there are issues in the current governance structure such as appropriate roles of participants and appropriate levels of operational decision making that need to be addressed. The recommended enterprise governance structure expands on the current governance structure by re-defining the members, their roles and the responsibilities for each level, and proposes legislation that moves the authority for decision making to the appropriate levels. Below is a diagram depicting the recommended enterprise governance structure and a detailed explanation of each entities role and responsibilities in enterprise governance.

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## 1.6.1 Legislature

It is important to acknowledge the role of the state’s Legislature in any governance structure. The Legislature makes final policy and funding decisions for the state. In support of the new enterprise governance structure, the Legislature may consider/request recommendations from the Governor and Cabinet before making decisions on funding and/or laws that have an impact to the enterprise business processes of the state and/or the enterprise system applications that support the enterprise business processes, as previously defined in section 1.5.1.

## 1.6.2 Governor and Cabinet

It is the role of the Governor and Cabinet to make recommendations to the Legislature on law changes and funding requests that support the enterprise business operations for the state. The Governor and Cabinet will also adopt the state’s annual Strategic Enterprise Business Plan that is prepared by the Enterprise Financial Council.

## 1.6.3 Enterprise Financial Business Operations Officer (EFBOO)

The EFBOO will be appointed by the Governor and Cabinet and will serve a four year term. The EFBOO’s role is to make decisions on the state’s enterprise business processes and enterprise reporting needs and propose law and funding recommendations to the Governor and Cabinet.

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The EFBOO will chair the Enterprise Financial Council and have the authority to make policy decisions that support the enterprise business process improvements and enterprise business needs of the state. The EFBOO will also have the ability to sponsor change management activities that encompass the enterprise business process improvements for the state.

### 1.6.4 Enterprise Financial Council

The Enterprise Financial Council's role is to prepare the state's annual Strategic Enterprise Business Plan and address issues that have an impact to the state's end-to-end enterprise business processes and enterprise reporting needs.

The EFBOO will chair the council. The council will include the following nine members:

- Cash Management Business Owner or designee
- Financial Reporting Business Owner or designee
- State Purchasing Business Owner or designee
- Human Resource Management Business Owner or designee
- Budget Execution Business Owner or designee
- Agency for Enterprise Information Technology, Executive Director or designee
- Representative from the Florida Association of State Administrative Service Directors
- Attorney General's designee
- Agriculture Commissioner's designee

The council may include representatives from state agencies, consultants, or industry subject matter experts as needed.

The council will be responsible for:

- Reviewing the state's enterprise business processes, designing enterprise business process improvements and working with the respective business process owner to implement the improvement on an on-going basis
- Establishing data management standards that support the state's enterprise reporting needs
- Providing input for the enterprise policies that support the enterprise business processes and enterprise reporting needs
- Preparing the state's Strategic Enterprise Business Plan annually

The council must be adequately staffed and have a commitment from the business owners to support the weekly or monthly decision making process required for the on-going business operations of the state.

### 1.6.5 Enterprise Integration Sub-Council

The Enterprise Integration Sub-Council's role is to provide technical advice to the Enterprise Financial Council. The sub-council has the expertise to identify system impacts for proposed

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business process changes and provide suggestions on process improvements that leverage new technologies or result in system integration efficiencies.

The sub-council will be chaired by AEIT Executive Director or his/her designee and will include 5 members:

- Representative for FLAIR and Cash Management System
- Representative for MyFloridaMarketPlace
- Representative for People First
- Representative for LAS/PBS
- Representative for state agencies' Chief Information Officers

The sub-council may include representatives from state agencies, consultants, or industry subject matter experts as needed.

The sub-council will be responsible for

- Reviewing the state's current enterprise systems and document the integration points between the systems
- Estimating the life cycle costs for maintaining these systems and the overall enterprise architecture currently in the state
- Provide annual risk assessments of IT security and plans on addressing internal controls in the high risk areas for the state's enterprise systems
- Assisting with the development of an Enterprise Data Management Plan

The sub-council must be adequately staffed and have a commitment from applicable Chief Information Officers to support the assignments from the chair of the sub-council.

### 1.6.6 Business Owner – Core Functions

The state's business owners' role is to support and make decisions on the daily operations for their core function. Many of these decisions do not have an impact on the end-to-end enterprise business processes and need to be handled timely. The recommended governance structure is designed to allow the state's business owners to manage their daily operations in a timely manner and only escalate the issues that have an impact to the enterprise. The enterprise business process flows developed for the Strategic Enterprise Business Plan will identify the integration between each business owner that has a step in the enterprise business process flow. Decisions that will have an impact to another business owner's step in the end-to-end business process must be escalated to the Enterprise Financial Council for approval.

Business owners may also sponsor a project to implement an enterprise application or enhance an existing enterprise application when the need arises. If the project has an impact to the end-to-end enterprise business processes for the state, then the project charter must be reviewed by the Enterprise Financial Council and the recommended funding reviewed by the Governor and

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Cabinet. A condition for approval of the project is the establishment of the recommended enterprise project governance structure detailed in Section 1.7.

The state's business owners and the core function they are responsible for are listed below:

- **Financial Reporting** - Director, Division of Accounting and Auditing, Department of Financial Services
- **Cash Management** - Director, Division of Treasury, Department of Financial Services
- **Human Resource Management** - Director of People First, Department of Management Services
- **Purchasing** - Chief of State Purchasing Operations, Department of Management Services
- **Budgeting** - Director, Office of Policy and Budget, Executive Office of the Governor

Business owners will be responsible for:

- Supporting the Enterprise Financial Council in the review of the state's business processes and recommending process improvements on an on-going basis
- Supporting the Enterprise Integration Sub-Council in identifying and documenting integration points and recommending data security/integrity improvements on an on-going basis
- Adhering to the Strategic Enterprise Business Plan approved by the Governor and Cabinet
- Providing open forums with the User community to raise issues
- Escalating issues to the Enterprise Financial Council that have an impact to the end-to-end enterprise business process
- Create a Project Charter and obtain approval from the Enterprise Financial Council on projects to implement or enhance enterprise applications
- Present funding requests for the implementation or enhancement of enterprise applications to the EFBOO
- Establish the recommended enterprise project governance structure and coordinate with the Enterprise Financial Council and EFBOO during the life of the project

The state's business owners play a key role in the escalation of issues to the Enterprise Financial Council and the adherence to the state's Strategic Enterprise Business Plan. Their commitment to the enterprise governance process is a critical element to its success.

### 1.6.7 State Agencies/User Groups

The state agencies' role is to provide input to business owners on enterprise business process improvements and enterprise reporting needs. The state agencies also have a need to request changes to the business processes to support the programs and services they provide to the citizens of Florida. There are instances where the state agencies in collaboration with the Business Owner have established user committees to evaluate requests and set priorities.

## Financial and Cash Management Task Force Governance Recommendation



The recommended governance structure supports the continued efforts of the state agencies and user community to raise issues and set priorities for their requests. It will be the responsibility of the business owner to escalate requests that have an impact to the end-to-end enterprise business process to the Enterprise Financial Council.

State agencies will have the responsibility to:

- Adhere to the enterprise business processes and enterprise reporting requirements established in the Strategic Enterprise Business Plan
- Adhere to the IT standards and data management requirements established in the Strategic Enterprise Business Plan
- Raise issues in the appropriate user group forums and/or to the appropriate business owner

State agencies perform the majority of the steps in the enterprise business process flows and therefore are considered stakeholders. The recommended enterprise governance structure supports their need to raise issues to the business owners as well as provide representation in the enterprise decision making process by have a representative on the Enterprise Financial Council. The Agency Administrative Service Director that is selected by the Florida Association of State Administrative Service Directors will be the agencies conduit to the enterprise decision making process.

### ***1.7 Recommended Enterprise Project Governance***