DISCUSSION OF FLORIDA PALM (FLAIR REPLACEMENT)

FEBRUARY 22, 2017
Discussion of Florida PALM

Overview of FLAIR

- Florida Accounting Information Resource (FLAIR) was implemented 30 years ago to provide accounting resources to State agencies
- FLAIR processes $90 billion in payments annually (including $3.5 billion in payroll)
- FLAIR has over 16,000 users statewide
- FLAIR limitations include:
  - Paper intensive processing
  - No predictability/forecasting
  - Lack of availability of IT support
- There was a previous effort (Project Aspire) to replace FLAIR
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FLAIR Study (March 2014)

- The FLAIR Study concluded the State of Florida should pursue the replacement of FLAIR and the Cash Management Systems (CMS) with a commercial off the shelf (COTS) enterprise resource planning solution (ERP) for the financial management processes to support the constitutional obligations of the CFO.
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Core Principles

- The Florida PALM Project operates on three core principles:
  1. Create a realistic plan to complete the FLAIR and CMS replacement project
  2. Incorporate a number of smaller objectives along a deliberate timeline
  3. Acknowledge the statewide aspect of the project and the impact to the other Florida agencies
Pre-DDI – Pre-Design, Development, and Implementation focuses on project planning, Business Process Standardization and procurement of a Software and System Integrator (SSI)

DDI Phases – Design, Development, and Implementation Phases initially focused on core FLAIR and CMS processes then expanded functionality
Discussion of Florida PALM Budget

- **FY2014-2015 (Year 1):**
  - Appropriated $9M
  - Spent $2.2M

- **FY2015-2016 (Year 2):**
  - Appropriated $11.3M
  - Obtained release for $8.4M
  - Spent $8.1M

- **FY2016-2017 (Year 3):**
  - Appropriated $8.7M
  - Obtained release for $7.7M
Discussion of Florida PALM Budget

- FY2017-2018 (Year 4):
  - Requested $2M of FY2016-2017 be re-appropriated for DDI readiness
  - Requested $45M for implementation work (based on FLAIR Study)
- FLAIR Study estimated a total of $380M of additional expenditures to implement a replacement system over a 15 year time period
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Completed Pre-DDI Milestones

- Staffed Project FTEs across four teams encompassing project management, people, process, and technology

- Secured contract support staff across four teams and independent verification and validation services
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Completed Pre-DDI Milestones

- Conducted meetings with all 34 agencies that currently use FLAIR and CMS to establish and obtain approval on standardized business processes across ten financial process areas.

- Assembled an Executive Steering Committee made up of 15 members from 7 different agencies and began conducting public meetings.
Obtained approval of business requirements based on statewide-developed standardized business processes through governance process in September 2016

Obtained approval of solicitation documents for the Software and System Integrator (SSI) through governance process in October 2016

Released solicitation on November 1, 2016

Started planning for evaluation and negotiation phases

Vendor responses were received on January 24, 2017
Discussion of Florida PALM Timeline

- Procurement activities are expected to occur through remaining of calendar year 2017 with a contract execution in early 2018
- FLAIR Study estimated two separate implementation phases:
  - Phase 1: 5 years
  - Phase 2: 5 years
Contact Information

Melissa.Turner@myfloridacfo.com

myfloridacfo.com/FloridaPALM