

Florida **PALM**

Planning, Accounting, and Ledger Management



FLORIDA PALM UPDATE

OCTOBER 25, 2017



Florida **PALM**
Planning, Accounting, and Ledger Management

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Overview of FLAIR and CMS

- ▶ Florida Accounting Information Resource (FLAIR) was implemented 35 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, and lack of availability of IT support



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Overview of FLAIR and CMS

- ▶ There are limited resources providing direct support to FLAIR for fixed or variable efforts
- ▶ Many of the assigned resources have skills gaps requiring additional training/supervision and affecting capacity
- ▶ Existing staff will continue to retire and acquisition of qualified resources is very difficult
- ▶ Staff augmentation is required
- ▶ Department continues to pursue FLAIR support services



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Overview of FLAIR and CMS

- ▶ CMS (Cash Management System) has similar challenges
- ▶ CMS provides cash and investment management functionality for the State
- ▶ CMS processes over \$90 billion in deposits and disbursements annually and maintains over \$23 billion in investments
- ▶ CMS limitations include:
 - Lack of a consolidated Treasury financial ledger
 - Lack of availability of IT support



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Overview of FLAIR and CMS

- ▶ Business Case delivered in March 2014 recommended the State replace FLAIR and CMS with a financial management solution that runs on commercially available software
- ▶ Business Case recommended initially implementing core functionality in a pilot and then expand agencies and functionality
- ▶ Florida PALM (Planning, Accounting, and Ledger Management) is business transformation project supported by technology





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Project Phases

- ▶ Current Phase:
 - Planning, Process Standardization, Procurement, and Readiness for Implementation
 - FY 17-18 marks the fourth year of Project
- ▶ First Implementation Phase – Implement Core Functionality over an estimated five years (*according to 2014 business case*)
- ▶ Subsequent Implementation Phase(s) – Implement Expanded Functionality over an estimated five years (*according to 2014 business case*)



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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



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Project Organization

- ▶ The Project is composed of State FTEs and contract staff
- ▶ Chief of Staff serves as Executive Sponsor
- ▶ Deputy CFO, Director of Accounting & Auditing, Director of Treasury, and CIO serve as Project Sponsors
- ▶ Governance is defined by two tiers
 - Project Director
 - 15-member Executive Steering Committee chaired by Project Executive Sponsor



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Budget

- ▶ FY2014-2015 (Year 1)
 - Appropriated \$9 million
 - Obtained release for \$6.8 million
 - Spent \$2.7 million

- ▶ FY2015-2016 (Year 2)
 - Appropriated \$11.3 million
 - Obtained release for \$8.4 million
 - Spent \$7.5 million

- ▶ FY2016-2017 (Year 3)
 - Appropriated \$8.8 million
 - Obtained release for \$7.8 million
 - Spent \$5.7 million



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Budget

- ▶ FY2017-2018 (Year 4)
 - Received \$27.9 million appropriation
 - \$18.1 million placed in reserve pending execution of contract
 - \$9.8 million released for implementation readiness
 - \$6 million in Salary & Benefits for 51 FTEs
 - \$3.8 million in Special Category
- ▶ FY2018-2019 (Year 5)
 - Based on first year of implementation cost model from Business Case



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Completed Milestones

- ▶ Staffed Project FTEs across four teams encompassing
 - Project management
 - People
 - Process
 - Technology
- ▶ Secured contract support staff across four teams and independent verification and validation services



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Completed 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 seven different agencies and began conducting public meetings



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Completed Milestones

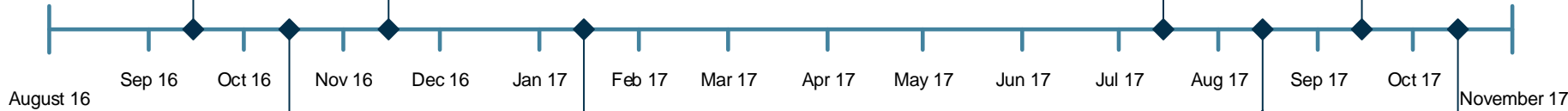
September 2016

Approval of Solicitation Documents

November 2016
Released Solicitation

July 2017
Evaluation Complete

September 2017
Strategy Sessions Began



October 2016
Approval of Business Requirements

January 2017
Received Vendor Responses

August 2017
Negotiation Team Appointed

October 2017
Negotiations Began



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Next Steps

- ▶ Support procurement activities which are expected to occur through May 2018 with a contract execution in June 2018
- ▶ Continue executing readiness activities through the four critical dimensions of project management, people, process, and technology in preparation for the implementation phases
- ▶ Identify additional collaboration opportunities with agencies and other public sector entities that have completed similar implementations



Contact Information

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