



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

October 31, 2017

TO: Honorable Curtis King, Chair
Honorable Steve Hobbs, Ranking Member
Senate Transportation Committee

Honorable Judy Clibborn, Chair
Honorable Ed Orcutt, Ranking Member
House Transportation Committee

FROM: David Schumacher
Director

SUBJECT: ONE WASHINGTON QUARTERLY REPORT (JULY–SEPTEMBER 2017)

Pursuant to the 2017–19 transportation budget (Section 103, Chapter 313, Laws of 2017), I am transmitting the first quarterly report on One Washington’s work with the Washington State Department of Transportation (WSDOT) to assess WSDOT’s ability to integrate the current transportation reporting and accounting information system, or its successor system, with the One Washington project.

Background

The 2017–19 operating budget funded the One Washington program to continue its important work. One Washington is a comprehensive business transformation program to modernize and improve aging administrative systems and related business processes that are common across state government. Over the next eight years, One Washington will examine the state’s business functions and implement initiatives so these functions are connected, consistent, and managed in a unified manner to provide reliable data and enable high performance.

One Washington consists of two elements: (1) transformation of business processes, and (2) selection and implementation of an enterprise resource planning system (ERP) to support those business processes. ERPs pull together data on an organization’s main resources — its people, funding, information, and assets — and aggregate it in a timely manner to provide accurate information that policymakers can use to make sound decisions. By implementing an ERP to transform the processes that support the state’s business, One Washington will help ensure that we have the data to standardize common business processes across agencies and improve services to citizens.

The scope of One Washington includes the finance, procurement, human resources/payroll, and budget functions of the state. Today, Washington relies on a number of manual and time-consuming financial processes rooted in an antiquated financial infrastructure. As a result, the state risks potential loss or degradation of financial information, with a commensurate loss of transparency and credibility if this aging infrastructure fails. In addition, there are disparate procurement functions that create more work in integrating information and systems, a complicated budgeting infrastructure that hampers transparency, and a human resources/payroll system that is more than 10 years old. All present operational risks.

October 31, 2017

Page 2

Progress

One Washington and WSDOT have met regularly to assess the ability to integrate WSDOT business needs with the One Washington program. One Washington conducted a two-day workshop with WSDOT business and technical staff that included: (1) an overview of the One Washington program; (2) a discussion of WSDOT-specific requirements; (3) an overview of the Wisconsin Department of Transportation's ERP Implementation Case Study and lessons learned; and (4) an overview of 25 WSDOT critical systems and the anticipated impact from the implementation of an ERP.

WSDOT needs to upgrade its aging financial system in the next five years, primarily due to technical obsolescence. One Washington and WSDOT agree that an ERP, whether statewide or WSDOT-specific, would provide functionality and capability to meet WSDOT accounting needs.

Following discussions initiated at the workshop, strategic partner expertise will help define a scope of work for an analysis of WSDOT systems and how they interface with TRAINS to determine the impact of replacing TRAINS with an ERP. This analysis will include recommendations on which systems will be replaced by an ERP (and decommissioned); which systems will need to be updated and interfaced with the new ERP; and which systems may need to be replaced in another way. Eventually this work will also provide an estimate of the effort and cost for each system analyzed.

Completed work is described in the first version of the Program Blueprint, which is published on [our website](#). A highlights presentation on the Blueprint also is available [here](#).

Next Steps

Program Blueprint, version 2, which will be completed in December 2017, will include plans, schedules, and cost estimates for the budget and human resources/payroll tasks for fiscal years 2019–26.

Program Blueprint, version 3 will be completed in June 2018. This last version will include budget estimates by component and refinements to the schedule and budget estimates for finance, procurement, budget, and human resources/payroll.

If you have any questions or need more information, please contact Stacey Scott, One Washington Program Director, at (360) 725-0183 or stacey.scott@ofm.wa.gov, or Doug Vaughn, WSDOT Chief Financial Officer, at (360) 705-7401 or vaughnd@wsdot.wa.gov.

cc: Roger Millar, Secretary, WSDOT
Doug Vaughn, Chief Financial Officer, WSDOT
Stacey Scott, One Washington Program Director, OFM
Tom Jensen, Administrator, Legislative Evaluation and Accountability Program Committee
Kelly Simpson, Senior Staff Coordinator, Senate Transportation Committee
Mark Matteson, Staff Coordinator, House Transportation Committee
Dean Carlson, Senior Budget Assistant, OFM
Charles Knutson, Senior Policy Advisor, Executive Policy Office