

Department of Finance and Administration
MISSISSIPPI MANAGEMENT AND REPORTING SYSTEM
501 North West Street, Suite 1201A Woolfolk, Jackson MS 39201 P.O. Box 267, Jackson
MS 39205-0267

MEMORANDUM

TO: J. K. Stringer, Jr., Executive Director
Department of Finance and Administration

Don Thompson, Executive Director
State Personnel Board

David L. Litchlitter, Executive Director
Information Technology Services

FROM: Cille Litchfield, Chief Systems Information Officer
MMRS Administrator

DATE: March 17, 2008

SUBJECT: Minutes of the MMRS Steering Committee of December 21, 2007



Attached is the **draft** of the minutes of the MMRS Steering Committee meeting of December 21, 2007.

Please contact me by phone at (601) 359-1433 or email at litchc@dfa.state.ms.us should there be any questions.

MMRS Steering Committee

A called meeting of the Mississippi Management and Reporting System (MMRS) Steering Committee was held at 2:00 PM in the 13th Floor Conference Room, Woolfolk Building, Jackson, Mississippi, on December 21, 2007.

A quorum being present, J. K. "Hoopy" Stringer, Jr., Chairman, called the meeting to order.

The following members were in attendance:

J. K. "Hoopy" Stringer, Jr., Chairman
Executive Director, Department of Finance and Administration
Don Thompson, Vice-Chairman
Executive Director, State Personnel Board
David L. Litchliter, Member
Executive Director, Department of Information Technology Services
Cille Litchfield, MMRS Administrator (non-voting)
CSIO, Department of Finance and Administration

Others in attendance included:

Becky Thompson, MMRS/MAGIC Project Manager
David Pitcock, MMRS/MAGIC Deputy Project Manager
Sheila Kearney, Procurement Analyst, ITS

Mr. Stringer called for agenda item number one: Review and approve minutes for the September 6, 2007, meeting.

On a motion by Mr. Thompson and seconded by Mr. Litchliter, the minutes were approved as presented.

Mr. Stringer called for agenda item number two: Recommendation for approval of Salvaggio, Teal, and Associates (STA) as the Planning and Design Consulting partner for MAGIC for a Phase I cost not to exceed \$2,192,332.95 over a two-year period targeted to begin February 4, 2008.

Mrs. Litchfield provided a copy of the ITS Board Recommendation draft for the Committee's information. She noted that only a single response was received, even though nine prospective vendors attended the Bidders' Conference on September 28, 2007. The project team and ITS explored the causes for the non-bids, and, found no reason to reject the single bid.

A request for a "best and final offer" (BAFO) was made following the vendor presentation and an evaluation of the method initially proposed for performing "fit/gap analysis". The decision to revise the process was made to 1) limit the number of times the MAGIC Team (staff and consultants) would "touch" the detailed requirements and, 2) ensure that any pricing numbers developed by the interested vendor community would be legally binding.

In the BAFO, STA adjusted Phase I costs upward from the original proposal by \$499,452.51 to support a move from a Request for Information (RFI) (not a legally binding process) to a Request for Proposal (RFP) for software. While it will not be popular with the vendor community, Mrs. Litchfield stated that it will be explained an award for software may or may not be made from this RFP. The BAFO also changed STA's proposed staffing based on issues with proposed staff identified by the State in the Vendor Conference.

MMRS is not asking the MMRS Steering Committee or ITS for approval for Phase II costs at this time. The BAFO response for Phase I will be the recommendation from the MMRS Steering Committee to the ITS Board, if the Steering Committee supports the recommendation of the project team. The ITS Board approval request would then be subject to the successful negotiation of a contract.

Mrs. Litchfield noted this recommendation was not presented to the MAGIC Task Force.

On a motion by Mr. Thompson and seconded by Mr. Litchliter, the recommendation was approved as presented.

Mr. Stringer called for agenda item number three: Recommendation for approval of MAXIMUS to perform the following services for a total cost not to exceed \$24,800:

Mrs. Litchfield presented an overview and stated that this engagement is designed to review methods MMRS utilizes in determining MMRS charges to state agencies for both operational and development activities. These services will include cost assessment identification as well as cost allocation methodologies. This project was justified as sole-source since MAXIMUS is presently engaged in cost allocation work with DFA and because MAXIMUS did the initial cost allocation reviews for MMRS. The scope of the project includes:

- a. Review of current MMRS billing practices, including frequencies, billing media, and interfaces to SAAS;
- b. Evaluation of the impact of recent changes in federal reporting requirements on MMRS;
- c. Performance of an initial summary level review of how GASB-51 may affect MMRS' accounting for capital expenditures and fixed assets. This review will focus on potential current issues as well as the future requirements of a major ERP initiative;
- d. Review of the current MAGIC initiative and assessment of the impact a new ERP may have on MMRS' overall cost recovery practices;
- e. Development of recommendations for any refinements or improvements to our current billing processes;
- f. Preparation of a written report detailing the results of each review area, inclusive of recommendations for any proposed changes in methods or procedures;
- g. Presentation of the final report to the MMRS Steering Committee and the DFA Office of Budget and Accounting.

On a motion by Mr. Litchliter and seconded by Mr. Thompson, the recommendation was approved as presented.

Mr. Stringer called for agenda item number four: General discussion of Tier Technologies.

Mrs. Litchfield described on-going concerns with the performance of Tier. Mrs. Litchfield also highlighted the potential sale of Tier to a yet unidentified party. It is expected that the sale will be announced at the Tier user conference in March 2008. Mrs. Litchfield noted that a mandate has been issued for the use of WebProcure for state contract items beginning in January 2008.

There being no further items of business, Mr. Stringer asked for a motion for the meeting to be adjourned. On a motion made by Mr. Litchliter and seconded by Mr. Thompson, the meeting was adjourned.

Chairman
Finance and Administration

Vice-Chairman
State Personnel Board

Member
Information Technology Services

Project 36690 – MAGIC Planning and Design Consulting Services

RFP 3542 was issued on September 18, 2007, for the acquisition of consulting services to assess the opportunities and risks associated with planning, designing, and acquiring an Enterprise Resource Planning (ERP) system in Phase I and for performing an Independent Validation and Verification (IV&V) role in Phase II (at the State's discretion) if the State goes forward with acquisition and implementation of an ERP system or chooses to continue expansion of their existing systems. The scope of work requires the awarded Vendor to develop a matrix of the State's "AS IS" systems and functions plus the State's known requirements, compare the matrix against best of breed ERP solutions, develop a detailed gap analysis, analyze the impact of implementing an ERP solution based on that gap analysis, and develop a funding plan based on all the analysis performed in previous steps and based on the rules regarding the use of federal dollars and the capitalization of non-tangible assets (GASB 51).

A mandatory vendor conference was conducted on September 28, 2007, with representatives from nine (9) Vendors in attendance. At proposal opening, October 19, 2007, the State received one proposal, from Salvaggio, Teal, and Associates (STA). At the State's request, STA conducted an onsite presentation on November 12, 2007.

After a thorough evaluation of STA's proposal by the Project Evaluation Team, which was comprised of DFA and ITS staff, the State issued a clarification request on November 15, 2007, to address proposal deficiencies and concerns encountered during the onsite presentation.

After review of STA's clarification, the State issued a BAFO request to STA in an effort to refine the project scope and address concerns documented by the Project Evaluation Team. The State received STA's BAFO response on December 17, 2007, and completed the proposal evaluation. Below is a summary of the points awarded:

Evaluation Category	Available Points	Assigned Points
Qualifications and Experience	38	35.01
Technical Approach	27	21.41
Cost Proposal	35	35.00
Added Value	5	0
Total	105	91.42

Below is a summary of proposed lifecycle costs:

Description	Original Hours*	Original Cost	BAFO Hours*	BAFO Cost
Phase I	7,948.95	\$1,692,880.44	10,522.50	\$2,192,332.95**

* Consulting hours were added to accommodate the issuance of an RFP for an ERP system (as opposed to issuing an RFI as originally proposed by STA).

** Licensing costs of the DecisionDirector software also increased to accommodate the scope refinement.

The State plans to present this award recommendation to the MMRS Steering Committee on December 21, 2007. If the MMRS Steering Committee approves this project, the State plans to begin contract negotiations with STA with the understanding that contract execution is pending ITS Board approval. The State anticipates presenting this to the ITS Board on January 17, 2008.

The proposed project timeline is as follows:

Project Task	Dates
Proposed Project Implementation Start-up	02/04/08
Phase I Deliverables:	02/04/08 – 06/29/09
Requirements Matrix	02/04/08 – 08/25/08
ERP Fit/Gap Analysis	04/28/08 – 06/09/09
Impact Analysis	07/09/08 – 12/05/08
Funding Plan	07/09/08 – 05/05/09
Risk Identification	08/18/08 – 06/29/09
Phase II - IV&V Services (at the State's sole discretion)	To be mutually negotiated

The staffs of ITS and DFA jointly recommend the selection of Salvaggio, Teal, and Associates as lowest and best vendor responding to RFP No. 3542, to provide Consulting Services, at a total 2-year life cycle cost not to exceed \$2,192,332.95.