

## **MMRS Steering Committee November 2, 2000**

A called meeting of the Mississippi Management and Reporting System (MMRS) Steering Committee was held at 1:30 p.m. in the Sillers 9th Floor Conference Room, Jackson, Mississippi, on November 2, 2000.

The following members were present:

Gary Anderson, Chairman and Executive Director, Finance and Administration  
J. K. Stringer, Vice-Chairman and Executive Director, State Personnel Board  
David L. Litchliter, Executive Director, Information Technology Services

Also present were:

Cille Litchfield, MMRS Administrator  
Katie Womack, I2K Project Manager (MMRS)

A quorum being present, Mr. Anderson called the meeting of the Mississippi Management and Reporting System (MMRS) Steering Committee to order.

Mr. Anderson presented agenda item 1:     Review and approve the minutes of the meeting of the MMRS Steering Committee for June 13, 2000.

Mr. Litchliter asked that the spelling of "IKON" be corrected on page 2. On a motion by Mr. Stringer, seconded by Mr. Litchliter, the minutes were approved as corrected.

Mr. Anderson presented agenda item 2:     MMRS Revolving Fund Invoices for Recovery of FY2000 Expenditures

Mrs. Litchfield discussed the following:

- Invoices will be issued in November 2000
  - Discussed options to bill using actual statistics rather than projected statistics;
  - Discussed that "actuals" were used in the estimates given agencies and Legislature for FY2002 budgets
  - Discussed that there is an error in FY2002 budget estimate numbers for I2K cost recovery:
    - Recovery of these costs should only be allocated to SPB purview and processed agencies since only they will benefit.
    - Recovery of these costs should only be allocated based on position counts - not full counts that include payroll.
    - This error is not material and will be corrected in the next estimate/allocation process.

Mrs. Litchfield recommended, based on the FY2000 financial statement (attached), the current cash balance in the MMRS Revolving Fund, the general payment patterns of agencies, and the recently implemented budget reserves that the following be used in the allocation for the recovery of FY2000 expenditures:

<b>FY 2000 EXPENDITURES</b>		
GENIE	Government E-commerce Network & Imaging Environment (SAAS Imaging Support)	60,257.50
SPAHRS	Statewide Payroll and Human Resource System	2,914,886.10
I2K	Image 2000 (SPAHRS Imaging Support)	94,606.36
MERLIN	Mississippi Executive Resource Library and Information Network	1,875,702.29
Total Expenditures	Note: Admin costs are not recovered.	4,945,452.25
Projected Interest	Based on 5.58% return on investments in GF pool	180,083.00
Original Projected Billing		5,125,535.25
Remove	Projected Interest	(180,083.00)
Remove	GENIE	(60,257.50)
Remove	I2K	(94,606.36)
Remove	SPAHRS - minor object 61902 (IT outside consulting)	(609,172.71)
Remove	SPAHRS - Minor object 61905 (ITS professional services)	(21,183.64)
Remove	MERLIN - minor object 61902 (IT outside consulting)	(260,829.52)
Remove	MERLIN - Minor object 61905 (ITS professional services)	(60,803.23)
Net Projected Billing		3,838,599.29

Mr. Stringer made the following motion: MMRS invoices are to be issued based on actual data for Fiscal Year 2000 and at the reduced total to be billed of \$3,838,599.29. The motion was seconded by Mr. Litchlitter and approved by the Steering Committee.

Mr. Anderson presented agenda item 3: I2K RFP Response and Recommendation

Mrs. Litchfield and Mrs. Womack presented the staff recommendation that IKON be acknowledged as the winning vendor. Mrs. Litchfield also requested that she be given authority to negotiate an agreement with IKON not to exceed \$1.3 million with a target contract total of \$1 million.

The proposed \$525,000 for the "backfile" conversion of the State Personnel Board (SPB) was discussed. Mr. Stringer stated that SPB had reviewed this matter and believed that the backfile to be converted only includes the active year and two years back. Mr. Stringer estimated the total cost for that conversion should not exceed \$150,000. Mrs. Womack will ask IKON to clarify the basis of their estimate and, with Mrs. Litchfield, will begin final proposal clarifications and contract negotiation. This proposal is scheduled to be presented to the ITS Board on November 17, 2000.

On a motion made by Mr. Litchlitter, seconded by Mr. Stringer, the staff recommendation was approved.

Mr. Anderson presented agenda item 4: GENIE RFP Response and Recommendation

Mrs. Litchfield stated there is no recommendation regarding GENIE. RFP 3154 has been officially "no bid" due to the single, poor response received from PSInet/Metamor. Mrs. Litchfield will meet with ITS staff and PSINet staff on Monday, November 6 in the post-bid conference.

Tentative schedule for re-bid was presented:

- RFP released November 16
  - Will include very specific delineation of what the response should address and what it should not
- Bidders Conference - Second Week of December;
- Proposals Due - January 8, 2001;
  - This will result in a late April - early May contract start date and no implementation of any GENIE functions in this RFP by July 1, 2001.

Mrs. Litchfield reported that vendors somehow got the idea we had pre-determined a vendor. ITS and State staff are already talking to other vendors to encourage them to bid.

Mr. Anderson presented agenda item 5: Budget Reserve Impact Issues

Mrs. Litchfield outlined measures underway within MMRS to meet the 5% reserve objectives already set forth by the Governor for specified general fund agencies. These measures include:

- GENIE re-bid will push significant costs into FY2002 from FY2001 and will cover most, if not all, of a 5% reduction for this FY;
- Travel has been reduced;
- Education has been reduced;
- Commodities are being closely watched;
- May delay acquisition of MERLIN DASD projected for second allotment period for FY2001.

Mr. Anderson presented agenda item 6: PEER Response Due November 3, 2000

Mr. Stringer and Mr. Litchlitter indicated they had reviewed the draft response and had no issues with information presented. General discussion occurred regarding part of question 7 in the letter from James Barber of October 13, 2000. This question, "What has been the financial impact to state agencies—dollars saved, expenses incurred, staff hours invested—since creation of the first component of the executive information system?", was discussed by the Committee with the following responses recommended:

- SPAHRS enabled the elimination of the old, SPB "step chart". Elimination of the step

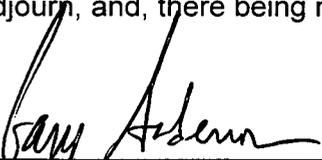
chart saves the State \$1.5 million each time the Legislature approves an "across the board" flat or percentage increase since pay adjustments can be made at the exact rate approved rather than having to be "step aligned" to the next step.

- Comparison of time/steps required to complete an action pre-SPAHRS and the same action post-SPAHRS;
- SAAS and SPAHRS ensure contracts and purchase agreements are not overspent; Support the use of standard documents that check the tables in SAAS where "approvals" are aggregated; eliminates a multi-step approval process within DFA thus saving the agency and DFA time;
- All agencies online in SAAS facilitated the implementation of intergovernmental transfers between treasury funds.
- SAAS and MERLIN have reduced, on average, GAAP package preparation from a week to about a day;
- SPAHRS has facilitated a move to a single tax id ;
- Leave accruals are now standardized across Mississippi government;
- Pre-SPAHRS Legislative cost projections required 8-12 hours. Now they are done in about 30 minutes;
- Without SPAHRS, the appropriation bill language for FY2001 regarding management within the "annualized" appropriation for "Personal Services" would not have been possible. This process has saved the State \$7-\$8 million dollars in structure costs this fiscal year as agencies clean up their vacancies and make better use of their personnel structure for their organizations.

Mr. Anderson asked if there was additional business to come before the Steering Committee.

Mrs. Litchfield reported, as additional business, that the original agreement with SAGA would end in December 2000. This is a major milestone in the implementation of SPAHRS.

There being no further business to come before the Committee, Mr. Anderson moved to adjourn, and, there being no objection, the Committee adjourned.

  
\_\_\_\_\_  
Chairman  
Finance and Administration

  
\_\_\_\_\_  
Vice-Chairman  
State Personnel Board

  
\_\_\_\_\_  
Member  
Information Technology Services

**STATUS OF BOND REVENUE FUNDS  
AS OF JUNE 30, 2000**

<b>FY 2000 EXPENDITURES</b>		
GENIE		\$60,257.50
	Government E-commerce Network & Imaging Environment (SAAS Imaging Support)	
SPAHRS		\$2,914,886.10
	Statewide Payroll and Human Resource System	
I2K		\$94,606.36
	Image 2000 (SPAHRS Imaging Support)	
MERLIN		\$1,875,702.29
	Mississippi Executive Resource Library and Information Network	
Administration		\$337,963.81
Total Expenditures		\$5,283,416.06 (5,283,416.06)
		\$0.00

<b>CASH</b>		
Beginning Balance, 07/01/1999		\$10,120,115.75
Plus: Interest Earned on Investments		\$530,648.96
Plus: Interest on Recovery of FY99 Expenditures		\$176,923.21
Plus: Recovery of FY99 Expenditures from State Agencies		\$4,535,160.03
Plus: SPAHRS Production Charges		\$1,819,748.04
Plus: Other Income		\$0.00
Plus: Other Adjustments		\$43,617.66
Less: Expenditures		(\$5,283,416.06)
Ending Balance, 6/30/2000		\$11,942,797.59