

TO: Members of the State Bond Commission
Members of the Mississippi Legislature

FROM: Edward L. Ranck

DATE: January 15, 1995

SUBJECT: **Report on the Mississippi Management and Reporting System Revolving Fund**

This report is submitted pursuant to the requirements of § 7-7-3 (5), Miss. Code Ann. (1972), which reads in relevant part:

"On or before January 15 of each year, the State Fiscal Officer shall present a report of all expenditures made during the previous fiscal year from the Mississippi Management and Reporting System Revolving Fund to the State Bond Commission and to the Legislature."

Fiscal Year 1994 Activities

The State-wide Automated Accounting System (SAAS) was upgraded in February 1994. With this software upgrade, a number of problems were corrected and several new features were added. The SAAS user documentation was also revised to completely address the features of the accounting system which are specific to Mississippi.

Additional agencies became online users of SAAS. On July 1, 1994, the Mississippi Department of Human Services, the Division of Medicaid, the Forestry Commission, and the Department of Marine Resources fully implemented SAAS as their internal accounting system. Substantially all agencies of state government are linked to SAAS for external reporting and for budgeting and control.

MMRS engaged the College of Business at Mississippi State University to conduct a survey to identify problems related to the use of SAAS by state agencies. Using the survey's findings, MMRS has been able to clarify misconceptions, improve communication, and address problems identified by agencies. MMRS has concentrated on improving Help Desk service and training for online SAAS users.

In October 1993, MMRS released the Request for Proposals for the implementation of the long overdue centralized human resource and payroll system identified in House Bill 1334. In addition to providing a combined human resource and payroll management system for use by state agencies, this system will replace

the outdated employee/position control and projection system currently in operation at the State Personnel Board and the Common State Payroll System currently in use by the Department of Finance and Administration. The new system will operate from a single data base of all employee/position related information thus eliminating the duplication of effort now required to support the separate payroll and personnel systems. Agencies will have access to their data and will be able to submit personnel transactions online. Paper now flowing between the line and control agencies will be reduced and, in some cases, eliminated. Proposals for the State-wide Payroll and Human Resource System (SPAHRs) were received in January 1994. In June 1994, the Deloitte & Touche LLP (D&T) proposal was recommended for implementation.

Fiscal Year 1995 Activities

In July 1994, the Central Data Processing Authority approved the recommendation for D&T to implement SPAHRs. The contract for this \$7.2 million project was approved in October 1994 and is expected to take two years to complete.

During Fiscal Year 1995, thus far, three additional agencies have become online SAAS users. The Offices of Vocational Rehabilitation and Vocational Rehabilitation for the Blind of the Mississippi Department of Rehabilitation Services were implemented October 1, 1994. The Workers' Compensation Commission was implemented January 1, 1995.

Sixteen agencies are presently using SAAS exclusively as their agency accounting system. These agencies comprise 73.9% of the Fiscal Year 1995 General Fund expenditure budget and 66.5% of the total Fiscal Year 1995 appropriated expenditure budget available to be on SAAS.

The State Personnel Board, the Department of Public Safety, and the Board of Animal Health will become online users on July 1, 1995. With the implementation of these agencies, the percentage of those General Fund expenditures handled online in SAAS will increase to 76.2% and the percentage of the total appropriated expenditure budgets will increase to 67.6%.

The Governor's Morning Report (GMR) is the first function of the Executive Information System (EIS) to be developed and is scheduled to be available in February 1995. The GMR consolidates payroll and human resource information from the State Personnel Board, the Department of Finance and Administration, and others. MMRS is now developing the broader requirements for EIS. These requirements, when developed, will focus on providing the information required by the State's decision makers in all areas of government.

Summary

Fiscal Year 1993 marked the beginning of the State's commitment to developing a comprehensive system to provide accurate, timely information about the State's financial condition and delivery of services. Since that time, notable progress has been made to enhance the State's financial management capabilities, to address the State's human resource management needs, and to understand the needs of the State's decision makers as we develop the requirements for the Executive Information System. We look forward to continued progress in the upcoming years to reach our ultimate goal of providing the kind of management information required by the State's decision makers to lead the State forward in meeting the needs of her citizenry.

Attachments

**STATUS OF MMRS REVOLVING FUND
AS OF JUNE 30, 1994**

FY 1994 EXPENDITURES

SAAS Upgrade Project	\$442,809.05
SPAHRS Project (Human Resource/Payroll)	\$420,858.97
EIS	\$38,859.10
Administration	<u>\$398,802.68</u>
Total Expenditures	<u><u>\$1,301,329.80</u></u>

CASH

Beginning Balance, 07/01/93	\$14,869,437.48
Plus: Interest Earned	\$334,069.38
Less: Expenditures	<u>(\$1,301,329.80)</u>
Ending Balance, 6/30/94	<u><u>\$13,902,177.06</u></u>