

MMRS Steering Committee

A called meeting of the Mississippi Management and Reporting System (MMRS) Steering Committee was held at 3:00 PM in the 13th Floor Conference Room, Woolfolk Building, Jackson, Mississippi, on Monday, October 26, 2009.

A quorum being present, Kevin J. Upchurch, Chairman, called the meeting to order.

The following members attended:

Kevin J. Upchurch, Chairman
Executive Director, Department of Finance and Administration
Lynn Fitch, Member
Executive Director, State Personnel Board
David L. Litchliter, Member
Executive Director, Department of Information Technology Services
Cille Litchfield, MMRS Administrator (non-voting)
Deputy Executive Director, Department of Finance and Administration

Others in attendance included:

Becky Thompson, MMRS/MAGIC Project Director
Gayle Chittom, MMRS/CSIO Legacy Applications
Deanne Mosley, SPB, Chief of Staff
Nathan Frey, Salvaggio, Teal, and Associates
Chuck Burkhart, Salvaggio, Teal, and Associates
Stacey Jackson, Wise Carter

Mr. Upchurch called for agenda item number one: Review and approve minutes for the August 4, 2009, meeting

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

Mr. Upchurch called for the Committee to enter Closed Session to consider a possible matter for Executive Session.

On a motion by Mr. Litchliter and seconded by Ms. Fitch, the Committee voted unanimously to enter Closed Session.

On a motion by Mr. Litchliter and seconded by Ms. Fitch, the Committee voted unanimously to enter Executive Session to discuss potential litigation.

On the Committee's return from Closed Session, Mr. Upchurch reported the Committee took no action in Executive Session.

Mr. Upchurch called for agenda item number two: Project Updates

Mr. Litchliter stated that although the Attorney General and the State Personnel Board had approved an Agreement for legal counsel with Watkins, Ludlam, Winter & Stennis to work with DFA on the Software License and Maintenance Agreement for MAGIC, he was making a motion to not execute the Agreement. Ms. Fitch seconded the motion. The Committee voted unanimously to not execute the Agreement with Watkins, Ludlam, Winter & Stennis.

Ms. Thompson updated the Committee on the MAGIC "Knowledge Pack" Evaluation and Scoring Weights determination process. Agencies involved in the final process were the MMRS Steering Committee agencies (ITS, DFA, SPB) and the Mississippi Department of Transportation. All participants signed confidentiality documents. The Department of Information Technology Services will publish the major category weights after proposals are received per their standard process. The Committee took no action.

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Ms. Litchfield reported that RFP #3598 for MAGIC Software Licensing and Support is ready for advertisement pending her final review once the Committee approves the advertisement and publication of the RFP.

Ms. Litchfield summarized considerations and risks for moving forward with the RFP:

- General budgetary constraints during FY2010-FY2011
- Loss of good will with vendor community if released and then withdrawn due to Legislative or other action
- Loss of good will with Governor and/or Legislature for moving forward without specific approval
- Inability to use software paid for, but not implemented, until services could be acquired on a later schedule than planned
- Relative project priority for systems with statewide impact

Ms. Litchfield also summarized considerations and risks for not moving forward with the RFP:

- Any restart of the project will include costs and time required to ensure that new requirements identified through new federal or state mandates are properly incorporated.
- Any significant delays will cause agencies to move forward more boldly on their own to acquire and implement "one of" systems to supplement the core MMRS systems. DFA may not become aware of such systems in time to stop acquisition/implementation per DFA's existing statutory authority. ITS reports these requests for acquisitions if they fall within their purchasing oversight authority but many of these are below the level.
- Aging infrastructure supporting SAAS will not improve – risks to the core data handling within SAAS will increase.

Mr. Litchlitter asked what had been done to scale back the project. Ms. Thompson responded that while we are requesting the options for all software, we plan to initially move forward only with the implementation services for finance and procurement. Ms. Litchfield added that to drop procurement would require that existing e-procurement applications be integrated with the new finance components. This would have a significant cost and add to the project risks. Ms. Litchfield also reported that while there is a request for budget preparation functions, this would be an optional module. Mr. Litchlitter asked if grants management could be considered an optional module. Ms. Litchfield responded it could not be and that the American Recovery and Reinvestment Act have made those needs more important than ever.

Mr. Litchlitter asked Mr. Frey if there were market issues that could affect this process. Mr. Frey responded that there is still a base level of cost to get into the ERP space and the current pricing strategies are still more or less in the same range as they have been. Mr. Litchlitter asked what other states that are in this process are doing. Mr. Frey responded that several states including West Virginia and Missouri are where Mississippi was about 18 months ago, thus just getting started, but that Minnesota just awarded to Oracle/Maximus for a total value of \$55M for finance and procurement to be implemented over 24 months. Ms. Litchfield asked if the \$55M includes state costs. Mr. Frey responded that he believed those costs are included.

Mr. Litchlitter asked how the funding would be required and over what period. Ms. Thompson responded that we are looking at a 24 month implementation window beginning not later than January 2011 with go live targeted for mid-fiscal year in January 2013. This approach would spread the costs over three fiscal years; however, the mid-fiscal year conversion would introduce certain conversion costs and risks.

Mr. Litchlitter reported that the Legislative Budget Office has requested he provide input on the three strategic projects for the Mississippi State Tax Commission, DFA (MAGIC), and PERS. This report is due Friday, October 30, 2009. In discussing this report that should be considered by the Joint Legislative Budget Committee next week, Mr. Litchlitter stated that he has never seen a project as ready to move forward as is MAGIC.

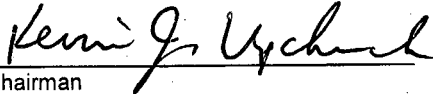
Mr. Upchurch tasked himself with further discussions with Governor Barbour concerning MAGIC.

The decision to release the RFP was tabled until further information is available concerning the budget situation. A meeting will be called when that information becomes available.

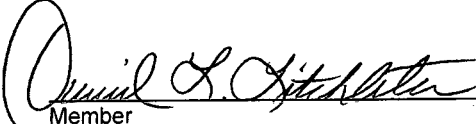
Mr. Upchurch called for agenda item number three: ARRA Updates

Ms. Chittom reported that the first reporting period closed October 10, 2009. Work on reconciliation continues but there continue to be issues with matching federal award data with state data. All reports for 1512 Reporting are to be made public on FederalReporting.gov on October 30, 2009. Ms. Litchfield reported that the award for the Stimulus 360 implementation agreement has been posted and that contract negotiations are underway. Ms. Litchfield also reported that quotes for the required Microsoft software are being re-solicited since we have revised our integration and deployment strategy.

There being no further items of business, Mr. Upchurch asked for a motion for the meeting to be adjourned. On a motion made by Mr. Litchlitter and seconded by Ms. Fitch, the meeting was adjourned.


Chairman
Finance and Administration


Vice-Chairman
State Personnel Board


Member
Information Technology Services