

1993-94 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR_RCP_pt01a
- 05hrAC-EdR_RCP_pt01b
- 05hrAC-EdR_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

➤ **

➤ Miscellaneous ... Misc

➤ 93hrJC-Fi_Misc_pt47

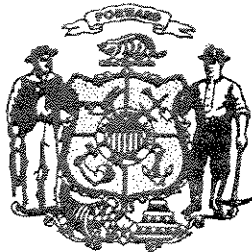
➤ Record of Comm. Proceedings ... RCP

➤ **

State of Wisconsin

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JOINT COMMITTEE ON FINANCE

August 18, 1993

TO: Mr. James R. Klauser, Secretary
Department of Administration

FROM: Senator Joe Leean
Representative Barbara J. Linton
Co-Chair, Joint Committee on Finance

We have reviewed the request from the Department of Administration dated July 29, 1993, under s. 16.515 and s. 16.505(2) pertaining to materials and services to state agencies, financial services and printing services.

Please be advised that we have found no objections to this request and accordingly, it has been approved effective August 19, 1993.

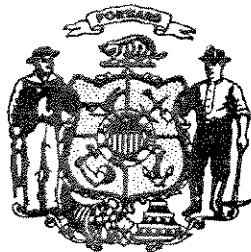
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cc: Roger Grossman

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JOINT COMMITTEE ON FINANCE

July 29, 1993

TO: JOINT COMMITTEE ON FINANCE MEMBERS

FROM: Senator Joe Leean
Representative Barbara J. Linton
Co-Chair, Joint Committee on Finance

Attached is a copy of a request from the Department of Administration dated July 29, 1993, for D.O.A. materials and services, financial services and printing services.

Please review this item and notify Senator Leean's office not later than Monday, August 16, 1993, if you have any concerns about the request or would like the Committee to meet formally to consider it.

Also, please contact us if you need additional information.

JL:BJL:ns

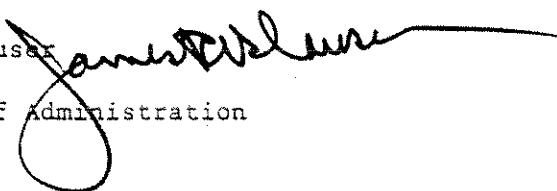
Attachments

CORRESPONDENCE/MEMORANDUM

STATE OF WISCONSIN
Department of Administration

Date: July 29, 1993

To: Honorable Joseph Leraan, Co-Chair
Honorable Barbara J. Linton, Co-Chair

From: James R. Klausner 
Secretary
Department of Administration

Subject: s. 16.515/16.505(2) Requests

Enclosed are requests which have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>1993-94</u>		<u>1994-95</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
D.O.A. 20.505(1)(ka)	Materials & Svcs. to St. Agencies	\$ 102,100	2.0	\$ 108,200	2.0
D.O.A. 20.505(1)(ki)	Financial Services	102,100		108,200	
D.O.A. 20.505(1)(kd)	Printing Services	-102,100	-2.0	-108,200	-2.0

As provided in s. 16.515, this request will be approved on Aug. 19, 1993 unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about this request.

Please contact Roger Grossman at 266-1072, or the analyst who approved the request in the Division of State Executive Budget and Planning, if you have any additional questions.

Attachments:

CORRESPONDENCE/MEMORANDUMSTATE OF WISCONSIN
Department of Administration

Date: July 26, 1993

To: James R. Klauser, Secretary
Department of Administration

From: ^{MK} Michael Heifetz, Policy Analyst
State Budget Office

Subject: Request under s. 16.505/515 from the Department of Administration for positions to provide technical support to the new state accounting system.

REQUEST:

The Department of Administration (DOA) requests increased PRS expenditure authority of \$102,100 in FY94 and \$108,200 in FY95 under s. 20.505(1)(ka), materials and services to state agencies, and authorization to reallocate 2.0 vacant PRS positions from printing services to the Office of Computer Services (OCS). These positions are needed in OCS to provide technical support for the State's new accounting System (WiSMART). Revenues to support these positions are derived from charges paid by state agencies to the Bureau of Financial Operations.

BACKGROUND:

With funds provided under Act 39 (the 1991/93 Biennial Budget Bill), DOA contracted with Andersen Consulting to study the accounting system requirements for the State of Wisconsin. Based on the results of this study, the department requested, under s. 16.505/515, \$9.7 million PR and 17 project FTEs to develop and implement a new state accounting system. The Joint Committee on Finance (JCF) reviewed this request at its April 1992 meeting under s. 13.10 and approved \$5.9 million PR and 17 project FTEs for FY93.

Andersen Consulting and the state's project staff implemented Phase I of WiSMART in FY93, and it has been operational since July 1, 1993. Phase I includes the basic accounting functions of the system, such as vouchers, disbursements and appropriations management, while Phase II adds the more complex features. Project staff are now working on Phase II, which is scheduled to be completed on July 1, 1994. However, the staff has been unable to completely end its Phase I duties due to the technical complications requiring attention, and the staffing shortage in OCS. It is imperative that technical support duties be transferred

entirely to OCS staff so that the project staff may devote full attention to Phase II implementation.

The previous system required 3 FTEs to provide technical support. The original accounting system study determined that the new system would require at least 6 FTEs to provide technical support. Approving this request will bring the number of support staff to 5 FTEs, which is still less than the study's recommendation.

As part of the Governor's 1993/95 biennial budget recommendations, DOA was to receive 2 management information specialist (MIS) FTEs in OCS in FY94 and an additional 4 FTEs in FY95. However, the JCF removed these positions from the budget, citing a lack of data to support the need for these positions. The Department has included substantial data with this request, and it is attached to this document as Exhibits A and B.

ANALYSIS:

The Department of Administration is requesting expenditure authority of \$102,100 PR in FY94. This includes salary costs of \$54,300 for 2 MIS-5 FTEs, fringe benefit costs of \$17,800 and standby pay and overtime costs of \$11,800. In addition, the request includes \$6,700 for supplies and services and permanent property as well as \$11,500 in one-time office equipment and set-up costs. Ongoing costs of these positions in FY95 and thereafter will be \$108,200 PR.

The financial services appropriation, s. 20.505(1)(kj), will require an equal amount of additional PR expenditure authority to allow the State Bureau of Financial Operations (SBFO) to reimburse OCS for the services of these 2 positions. However, this increase in expenditure authority is offset by a corresponding decrease in the PR expenditure authority in the printing services appropriation, s. 20.505(1)(kd). This decrease results from the reallocation of the 2 vacant positions from printing services to OCS.

WiSMART is a vastly more sophisticated and complicated accounting tool than the previous system. The previous system was developed in 1967 and was based on card technology common at the time. Transactions were entered on cards and then processed. Each individual transaction was checked for errors and either rejected or approved. Agencies pre-processed the transactions, but had no on-line access to the system.

In contrast, WiSMART is a modern, interactive system, permitting thousands of on-line users to access the system, many of them simultaneously. The addition of these on-line users, as well as interfacing with payroll, ETF benefits and other systems, will result in a corresponding increase in other areas, such as the number of chart account entries, the number of lines of code and the number of print locations (Please see Exhibit B for a detailed list of technical support requirements). This substantially increases the need for technical support. However, the small and medium-sized agencies do not have the internal staff to provide the support that the system requires. Consequently, the workload at OCS will rapidly grow in volume.

WiSMART also offers enhanced capabilities, many of which the old system was incapable of providing, such as fixed assets management and inventory control (Please see Exhibit A for a comprehensive list of enhanced and new WiSMART functions). All of the enhanced and new capabilities require technical support for basic maintenance of the system, as well as addressing occasional hardware and software problems. WiSMART is not a static system. The designer of the software, American Management Systems, periodically updates the software to meet changing needs and to improve the system as a whole. The next upgrade is scheduled for December, 1993. Additional technical support will be required in order to make a smooth transition to the updated software.

WiSMART is operational 24 hours per day. During the normal workday, the system is open to on-line users entering transactions. After 5:00 p.m., the system processes the day's transactions. Interruptions in the processing as a result of technical problems must be addressed immediately. If the problems are not solved quickly, on-line users may not be able to access the system the next morning and important transactions, such as paying businesses that supply goods and services to the state, may not be processed.

The conversion from the previous system to a modern, dynamic system is a significant change that has an impact on virtually every state agency. A change of this magnitude requires personnel to implement and maintain. If adequate technical support is not provided, the system will not function effectively and its full range of benefits to the state may not be realized.

RECOMMENDATION:

Approve the request.

WiSMART
Comparison With the Old Central Accounting System

Function	Old System	<i>WiSMART</i>
Statewide Chart of Accounts	Limited	Yes
Fund & Appropriation Management	Limited	Yes
Expense & Revenue Budgeting	No	Yes
Revenue & Expenditure Control	Limited	Yes
Encumbrances & Accounts Payable	Limited	Yes
Check Authorization	Limited	Yes
Accounts Receivable & Cash Receipts	Limited	Yes
Project & Grant Management	No	Yes
Financial Statement Generation	No	Yes
Executive Information System	No	Yes
Inventory Control	No	Yes
Fixed Assets	No	Yes
Report Distribution Tool	No	Yes
Micro-Computer Interface	No	Yes
Ad Hoc Reporting Tool	No	Yes

7/20/93					
GFS Support Statistics					
Category	Previous System	Phase I	Phase II*	Total GFS	
1 Number of on-line users	0	760	1,600	2,360	
2 Number of Agencies	63	63	Same	63	
3 Number of print locations	2	49	10	59	
4 Number of vendors	0	103,000	24,000	127,000	
5 Number of security profiles	None	50	0	50	
6 Number of reports	20	29	32	61	
7 Number of chart of account entries	21,800	35,000	35,000	70,000	
8 Number of tables/screens	5	800	50	850	
9 Transaction lengths	80	2,000	Same	2,000	
10 Number of programs					
	On-line	0	562	40	602
	Batch	372	973	46	1,019
	TOTAL	372			1,621
11 Number of lines of code	215,521	1,178,134	Unknown	1,178,134+	
12 Number of transaction types	10	20	21	41	
13 Number of balance sheet accts	0	150	Same	150	
14 Number of batch jobs					
	New GFS	0	200	100	300
	Existing CAS	289	202		202
	TOTAL	289			502
* Projected based on current Phase II planning assumptions					