To: The Honorable Jason Knight
Chairman, House Oversight Subcommittee on Administrative Efficiency

From: James E. Thorsen
Acting Director, Department of Administration

Date: April 12, 2021

Subject: House Oversight Subcommittee on Administrative Efficiency Follow-Up

Thank you for the opportunity to provide a presentation to the Oversight Subcommittee on Administrative Efficiency on Monday, April 5, 2021. This memo addresses the questions I said I would get you further information on. As always, if you require more information or need any clarification on what has been presented below, please feel free to reach out to me and my team.

Procurement

Are there purchasing agents in each state agency? Generally, how centralized is procurement within the Division of Purchases?

The Division of Purchase represents Executive Branch agencies on most of their solicitations. Limited delegated authority is granted to agencies for specific procurements, but they must still adhere to the State's procurement rules.

Through the Division's centrally managed master price agreements (MPA), the Division represents all Executive Branch agencies and every other government entity. An example is a copier MPA through which any government agency, municipality, or institution of higher education can purchase a copier.

The Division also allows non-Executive Branch agencies, quasi-public entities, and some municipalities to post to the Division's solicitation board to create a single posting entity for the vendor community. If a procurement is posted to the solicitation board, all the Division's solicitation standards must be adhered to.

If there is a question about a solicitation posting, the question should be directed to assigned buyer (which is posted on the Division's solicitation website.) Staff can follow normal procedures if there is a question period during the solicitation or answer any other question about the procurement process.

Organization Charts

Provide organization charts for each division within the Department and provide the names of division leaders.

Please see attached organization charts for each division, most of which were last updated in January 2021. I will follow up with the Subcommittee as soon as possible with updated organization charts.

Enterprise Resource Planning (ERP)

What is the history behind the ERP project?

The lack of an Enterprise Resource Planning (ERP) system, which is an integrated suite of software applications to support all key administrative functions, and the lack of a state-of-the-art human resources-payroll system was identified as a serious risk by the State's management and the Auditor General.

The Auditor General mentioned this shortcoming and the related lack of a strategic plan for key administrative software applications in his annual report dating back to Fiscal Year 2014. He framed his recommendation in the context of the need to develop a strategic plan for what administrative software applications the State needed to support its operations.

During Fiscal Year 2018, the State began developing a Request for Proposals (RFP) to contract with a consulting partner to develop an Enterprise Applicants Strategic Plan to address the issues. In January 2019, the RFP was issued, and Accenture was selected after the competitive bidding process.

Accenture, who was selected after the competitive bidding process, produced the strategic plan in collaboration with the Division of Information Technology and other stakeholders.

The plan, which was completed in December 2019, provides a roadmap that will guide the State's transformation from numerous, antiquated, non-integrated business applications to a unified, modern, cloud-based ERP system.

The cost of this project, including bond payments, was projected to be $93.1 million and would be funded from Fiscal Year 2021 through Fiscal Year 2031, including $1.5 million that was included in Governor Raimondo's Fiscal Year 2021 budget proposal. The $1.5 million allocation would have supported 2.0 full-time equivalent Information Technology Project Manager positions, a contracted owner's representative, and specialized information technology consultants.

Given the pandemic, the proposal was not fully vetted during the legislative session last year.

cc: Members of the House Oversight Subcommittee on Administrative Efficiency
        Lynne Urbani, Director of House Policy
        Robert Millerick, Deputy Director of House Policy