



Enterprise Resource Planning

House Committee on Finance

June 8, 2021

**RHODE
ISLAND**

ERP

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ERP Overview

SCOPE



HR Information Systems/Human Capital Management



Payroll



Enterprise Financial Applications



Enterprise Support Applications

PURPOSE

1

Reduce risk to critical systems

2

Enable business improvements, provide expanded functionality, and information for managing

3

Address repeated audit findings

Why does RI need this?



Decision-makers are unable to receive **accurate information** in a **timely** manner



Rhode Island's systems are **outdated** – even in comparison to its state government peers



Current systems are susceptible to **single points of failure** and **security risk**



The **handful of experts** the State is reliant upon for existing systems are nearing retirement



Antiquated systems and processes make it difficult to attract and retain **talent**



Errors and rework from **non-integrated systems** waste time and money



Existing enterprise technology has an impact on the State's **ability to serve** its residents

Auditor General Findings

State of Rhode Island - Fiscal 2020 – Financial Statement Findings

Finding 2020-001

(significant deficiency – repeat finding – 2019-001)

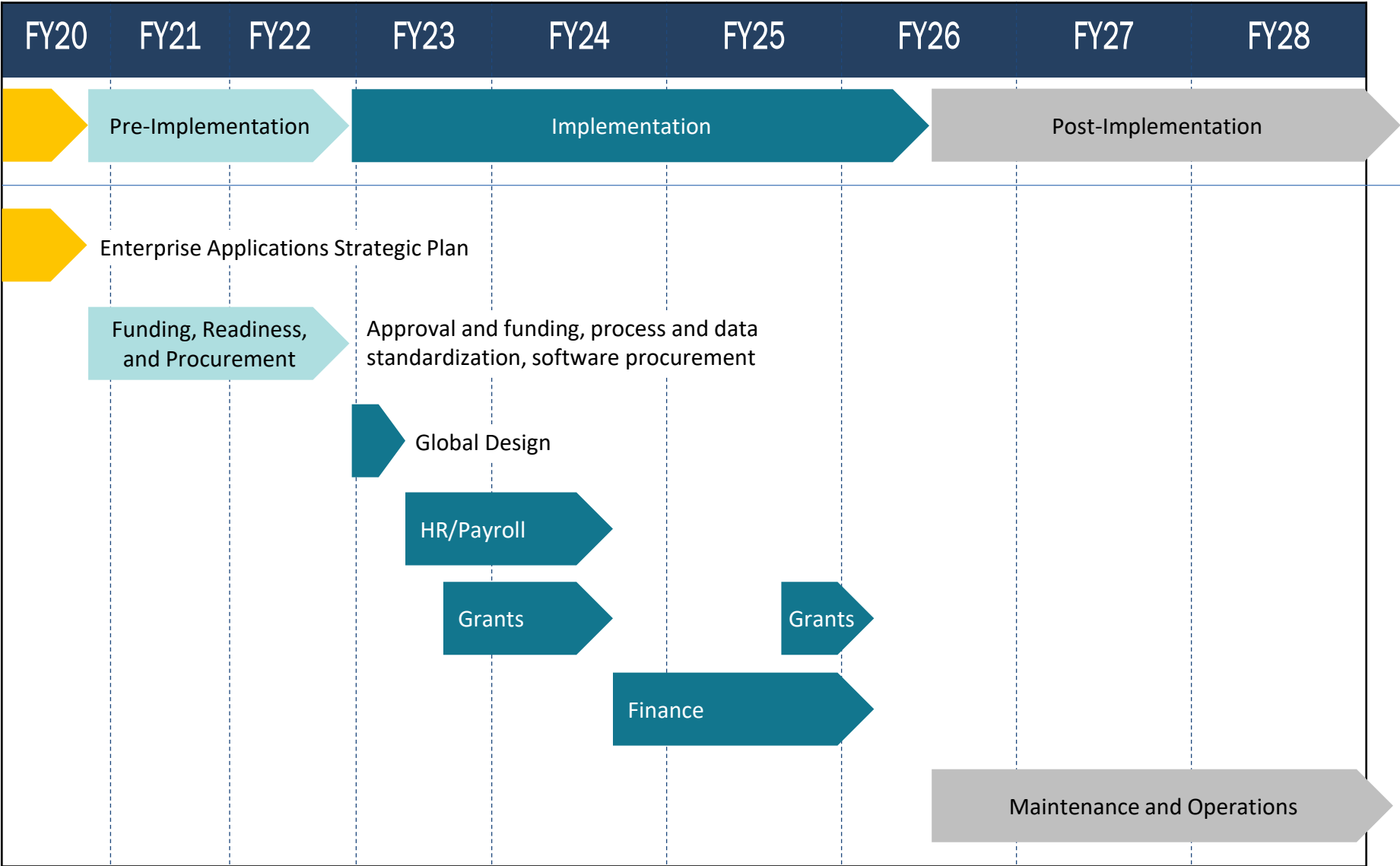
IMPLEMENTATION OF THE STRATEGIC PLAN FOR CRITICAL FINANCIAL AND ADMINISTRATIVE COMPUTER SYSTEMS

The State completed a strategic plan to coordinate needed replacements/enhancements to its key statewide financial and administrative systems. **Implementation and funding of the strategic plan is essential** to ensure that critical legacy financial systems, such as the payroll system, which pose a business continuity risk, will be available to support State operations.

Cause: The State's current accounting and financial reporting system lacks the integration and functionality of a comprehensive Enterprise Resource Planning (ERP) system. The State's human resource and payroll systems are separate applications that utilize outdated technology and are supported by multiple paper-based data collection and approval processes.

Effect: **Business continuity risks, deficiencies in internal control over financial reporting, and the lack of organization-wide efficiencies exist and are exacerbated due to the lack of an integrated ERP system.**

ERP Timeline



ERP Cost

Enterprise Resource Planning System

Proposed Expenditures by Source and Fiscal Year

Source	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
COPs	-	-	16,600,000	16,600,000	16,600,000	-	-	49,800,000
ISF	-	-	6,300,000	6,300,000	6,300,000	-	-	18,900,000
Total	-	-	22,900,000	22,900,000	22,900,000	-	-	68,700,000

Grant Management System

Proposed Funding Sources for Grant Management System

Timeline	RIDOH Indirect	ARP	ISF Billing	Total Estimated Expenditures
FY 2021	\$728,354	\$82,097	\$0	\$810,451
FY 2022 A*	\$665,040	\$241,869	\$0	\$906,908
FY 2022 B	\$606,606	\$1,485,957	\$0	\$2,092,562
FY 2023	\$0	\$0	\$751,613	\$751,613
FY 2024	\$0	\$0	\$751,613	\$751,613
FY 2025	\$0	\$0	\$751,613	\$751,613
FY 2026	\$0	\$0	\$281,646	\$281,646
Total Cost	\$2,000,000	\$1,809,923	\$2,536,485	\$6,346,407

* FY 2022 A refers to July – December, FY 2022 B refers to January – June.

Questions?

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