

Commonwealth of Kentucky Enterprise Resource Planning

COMMONWEALTH OF KENTUCKY FINANCE AND ADMINISTRATION CABINET

Frankfort, Kentucky

Online:

<http://finance.ky.gov/>

Industry:

Government

"CGI has been a long-term partner of ours, and once again has worked with us to deliver a complex, statewide system on schedule and on budget. The relationship we have with them enables us to work closely with a partner that understands our business and who is able to provide a system that meets our unique needs."

Ed Ross

Controller

Commonwealth of Kentucky

"(CGI's) track record for successfully developing and implementing statewide financial systems ... and their reputation for service and working in partnership with their clients, are the primary reasons why we chose them."

John McCarty

Former Secretary

Kentucky Finance and
Administration Cabinet

The mission of the Commonwealth of Kentucky's Finance and Administration cabinet (FAC) is to serve the administrative needs of the rest of state government. FAC's core mission is to provide services that will better enable agencies to deliver services and perform their duties on behalf of the general public.

The Challenge

The Kentucky Finance and Administration Cabinet sought a best-in-class enterprise resource planning (ERP) solution to help the agency to streamline and reduce the cost of Commonwealth administrative processes, increase support for administrative workers and managers, and improve service to internal and external stakeholders.

How CGI Helped

Reducing Complexity and Risk: Kentucky chose CGI for its extensive public sector financial management expertise and built-for-government a solution to assist in achieving the objectives of the Commonwealth's comprehensive re-engineering effort, EMPOWER Kentucky.

CGI accelerated the transition of Kentucky's legacy STARS financial management system to CGI Advantage with built-in financial management best practices, standards, enhancements, and modifications. Additional accelerators included chart of accounts, configurations, vendor set-up, forms, reports, project documentation, and other lessons learned.

The implementation also was facilitated by CGI's deep understanding of stakeholders, the public sector financial management domain, and Kentucky-specific operations. CGI also minimized risk via a phased implementation approach to validate assumptions and instill confidence across all stakeholder levels. The result was a smooth cutover from STARS and other legacy systems. CGI further protected Kentucky's investment by providing a clear product roadmap by engaging the Commonwealth as a CGI Advantage design partner and incorporating all Kentucky modifications into the CGI Advantage baseline.

Managing Organizational Change: CGI understood that the success of Kentucky's implementation, ongoing agency operations, and the realization of transformation benefits, were all dependent upon how each organization prepared for and handled the changes. CGI worked upfront with affected management structures and other stakeholders to gain informed consent and ensure all needs were met. CGI also ensured that the project team and agencies had specific roles and responsibilities to appropriately balance workload, skills, and risk. On the user side, CGI ensured that all stakeholders were adequately prepared to use the system through training, documentation, user-friendly software, and adequate on-line help.

CGI worked to lessen the impact of changes as much as possible through proven and robust organizational change management and implementation methodologies designed for large, complex public sector IT projects tailored to financial management.

A Long-Standing and Evolutionary Partnership

Since 1998, CGI has played an integral role in helping Kentucky achieve its goals to streamline and reduce the cost of administrative processes, increase support for administrative workers and managers, and improve service to internal and external stakeholders. As part of the EMPOWER Kentucky transformation initiative, CGI transitioned the Commonwealth's legacy STARS financial management system to its Management Administrative Reporting System (MARS) using CGI's built-for-government ERP solution, CGI Advantage. CGI also provided strategic planning, change management, business design, and training services, as well as software development, data warehousing, and reporting.

MARS encompassed enterprise-wide, comprehensive financial and materials management for all Commonwealth institutions and became the primary vehicle for administrative data entry, processing, and reporting for all branches of government and for all Cabinets within the Executive Branch.

CGI worked closely with the client to baseline valued STARS functionality (such as cash control and high-volume check writing) into CGI Advantage; fill other gaps prior to conversion; and ensure a seamless interface with other systems.

The partnership with CGI continued following the MARS deployment with Kentucky's participation as a design partner for CGI's next-generation CGI Advantage ERP solution. Through this partnership, CGI worked with Kentucky to incorporate functionality and customizations implemented in MARS into CGI Advantage.

In 2006, CGI helped Kentucky further realize its ERP transformation by upgrading MARS to deliver the Web-based eMARS integrated information system based on open standards built on a SOA platform. eMARS provides the Commonwealth with a single, state-of-the-art integrated financial, procurement, budgeting, and data warehouse solution with essentially no customizations and a clear upgrade path.

Kentucky also uses the CGI Advantage Performance Budgeting solution for real-time budget formulation, analysis, and reporting capabilities; the infoAdvantage data warehouse and reporting tool; and the CGI Advantage Talent Management solution.

In the News: Kentucky was the only state in the nation to receive an "A" for openness in government spending in the U.S. Public Interest Research Group's report released April 13, 2010: *FOLLOWING THE MONEY: How the 50 States Rate in Providing Online Access to Government Spending Data*. The data behind Kentucky's transparency site comes directly from CGI Advantage.

TRUST IN THE RESULTS

Kentucky's best practices ERP solution significantly reduces implementation time, costs, and risk, saving millions for state agencies.

Additional benefits include:

- Automated approvals, streamlined business processes, and improved data and reporting for over 5,500 end users across 180 state agencies
- Automated fiscal year appropriations and project and grant budgets to prevent overspending
- Improved processes for procurement and payables averaging more than 3,000 online solicitations and nearly 10 million payments totaling over US\$18B each year
- Direct requisition from negotiated supplier contracts for frequently purchased commodities
- High user-adoption rate
- Enhanced financial transparency and reporting
- Improved usability aligned to government financial management practices
- Flexibility to quickly adapt to government accounting, budgeting, and procurement policies
- Greater insight into financial performance.