

Payroll and Accounting System Replacement Analysis**FY2002 Request:****\$400,000****Reference No:****33862****AP/AL:** Appropriation**Project Type:** Planning**Category:** General Government**Location:** Statewide**Contact:** Dan Spencer**House District:** Statewide (HD 1-40)**Contact Phone:** (907)465-5655**Estimated Project Dates:** 07/01/2001 - 06/30/2006**Brief Summary and Statement of Need:**

Funding will be used to hire a consultant to provide replacement analysis and planning for the statewide accounting and payroll systems (AKSAS & AKPAY) currently managed by the Division of Finance.

Funding:	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>Total</u>
Gen Fund	\$400,000						\$400,000
Total:	\$400,000	\$0	\$0	\$0	\$0	\$0	\$400,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Additional Information / Prior Funding History:

This project has received no prior year funding.

Project Description/Justification:

Problem: The statewide accounting and payroll systems are in the mature life cycle stage. Both of them operate within the mainframe environment using ADABAS database software. The probability of this environment remaining stable over the next five to ten years is uncertain. We have already been notified by the payroll software vendor that they will no longer support ADABAS after 2002. Short-term, we can probably adapt our current payroll software to a DB2 database environment. Long-term, we need to begin planning for transition of these critical statewide systems to more modern, integrated technology. Timely transition planning will avert an eventual crisis because these systems are the crux of accounting and accountability within state government. They will not run forever, and replacing them is a massive information technology project with statewide impact.

Solution: We intend to contract with information technology project management professionals to scope out the process of replacing the statewide standalone accounting and payroll systems with a system that integrates these functions along with human resource management.

Benefit: The results of this analysis will provide information to decision-makers as to most likely best fit solutions and their costs.

What We Are Buying: Expertise and analysis skills of professionals a history of implementing large information technology projects.

Prior Funding: FY 2002 is the first year that funding for this type of analysis has requested.

Other Details: AKSAS has been operational since 1985, AKPAY since 1990. These are long timeframes for information technology systems. Both will continue to function for the foreseeable future, but as technology continues to move forward, they will become less efficient and effective.