FINANCIAL TRANSFORMATION THROUGH TECHNOLOGY IN GOVERNMENT

SPEAKERS: MICHAEL PEARSON & TALMADGE SEAMAN
MODERATOR: PAUL MARSHALL, THE MIL CORPORATION

Source: World Wide Technology

AGENDA

- Speaker Introductions
- Plan
- Prepare
- Implement
- Recover & Stabilize
- Q&A

GET TO KNOW THE SPEAKERS

Michael Pearson

- **State Financial Officer for the State of Idaho**
- In charge of oversight of the financial operations and policy for Idaho's Executive Branch. Prior to this role, he spent twelve years as CFO at the Department of Fish & Game where he was instrumental in the bonding and construction of a new headquarters for the Department that was completed on time and under budget during the Coronavirus pandemic. Michael also serves as the National Treasurer for AGA, a 13,000+ member nonprofit committed to government accountability and transparency.

Talmadge Seaman,
MBA, MPA, MASP, CICA, CGFM, PMP, CISA

- **Acting USCG Director of Financial Operations/Comptroller**
- Served 21 years in the Coast Guard with eleven years in afloat operations and five assignments in sequential financial management assignments including program fund manager, internal controls, financial management and reporting, appropriation fund manager, DHS CFO staff assignment, and National Defense University faculty. Served as consultant for 15 years for federal financial management engagements within 10 different federal agencies.

OUR TOPIC FOR TODAY

Key considerations for undertaking a financial transformation

- Plan
- Prepare
- Implement
- Recover & Stabilize

With real life examples of recent financial system implementations at;
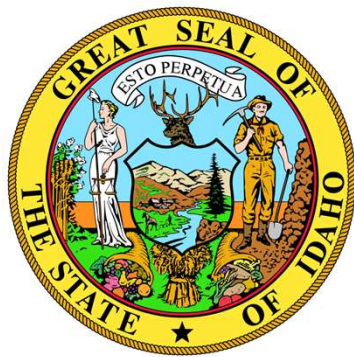
PLAN

Idaho

What we Planned
- Started in 2016 to evaluate scope
- Budget ask came in 2018
- Big bang vs modular
- In person training

What we Did
- Fully funded in 2018, continued to evaluate implementation method, COVID
- Shift from cash to semi-accrual & added true ledger accounting

What Happened (Success/Failure)
- Delayed implementation
- Had to pivot due to COVID restrictions in all aspects

Coast Guard

What we Planned
- Full Requirements
- Data Segmentation
- User Alignment to System by Centralizing Transaction Processing

What we Did
- Centralized field ops for smallest units
- Archive non active data
- Multiple rounds of Functional Design Docs

What Happened (Success/Failure)
- 6,000 operators no longer need user access
- J-ORD foundation and FDD unable to completely capture

PREPARE

Idaho

What we Planned
- In person training, awareness surveys, socialize change
- Agency staff tasked to work on DD&I

What we Did
- COVID impacted training; relied heavily on webinars, websites, & emails to communicate change
- Agency emphasized need to shift from "old" to "new" in all aspects (grant reporting/billing, budgeting, monthly financials, cash monitoring, etc.)

What Happened (Success/Failure)
- Lack of in person training and engagement was a detriment
- User acceptance testing not enough to socialize acceptance of upcoming implementation

Coast Guard

What we Planned
- Data Migration Testing
- SIT/UAT
- Beginning of Year Go-Live
- Change of Appropriation/LOA structure

What we Did
- Data – multiple rounds, corrections to bad data
- Repeated rounds of SIT/UAT
- Training delivered for undelivered functionality

What Happened (Success/Failure)
- Training not representative
- Users had too much change
- UAT had limited effectiveness

IMPLEMENT

Idaho

What we Planned
- Big Bang, clean cutover at FYE
- Go live with best viable product at time, to include min reporting and payments

What we Did
- Did indeed launch, reporting functionality missing for months
- Used staff to "make it work" and not enough to "answer questions"

What Happened (Success/Failure)
- Made grant reporting & cash monitoring very difficult; forced use of Excel workarounds
- But bills & employees got paid on time

Coast Guard

What we Planned
- October 1st Go Live
- Cutover Ledger
- Offline payments

What we Did
- December 17th Go Live
- Recorded ~80 days of transactions offline
- Limited financial ops

What Happened (Success/Failure)
- Immediate backlogs for $14B annual operations tempo
- Go live was partial functionality
- Cutover Transactions with High Error Rates

RECOVER & STABILIZE

Idaho

What we Planned

- Still recovering
- Provide upgrades, shorter steps, more reports, faster response on issue tickets

What we Did

- Most upgrades are behind the scenes still
- Tickets done faster, but huge training backlog

What Happened (Success/Failure)

- Still have employees adjusting to accounting structure, process, vernacular
- Need to work on transparency of issues to build confidence

Coast Guard

What we Planned

- Minor System Tweaks
- Resumption of Operations
- Enhancement Roll Out

What we Did

- Prioritized 'Pay our Bills, Pay our People'
- Triaged our processes and Data
- Stood up Incident Command

What Happened (Success/Failure)

- Went to Plan B on Audit
- Prioritized our Recovery
- Established Pain Point Index with Provider

Q&A

THANK YOU

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