

January 13, 2000

The Honorable James S. Gilmore, III
Governor of Virginia

The Honorable John H. Chichester
Chairman, Senate Finance Committee

The Honorable Vincent F. Callahan, Jr.
Co-Chairman, House Appropriations Committee

The Honorable V. Earl Dickinson
Co-Chairman, House Appropriations Committee

Gentlemen:

We have reviewed the status and progress of the **Integrated Human Resources Information System (IHRIS)** as required by the *1999 Appropriations Act*. Our involvement in the project continues and we issued our last report in August 1999.

Since our last report the IHRIS deployment schedule has slipped, due the Department of Personnel and Training committing substantial resources to its Y2K efforts. Consequently, Personnel and Training will be developing several IHRIS modules in periods that extend beyond the scheduled funding end of fiscal year 2001.

EXIT CONFERENCE

We discussed this report with the Chair and members of the Steering Committee on January 13, 2000.

AUDITOR OF PUBLIC ACCOUNTS

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REVIEWING THE PROJECT

Scope of Our Review

We reviewed the project objectives, plan, schedule, and budget to determine that the documentation was complete and reasonable. We have also met with the Project Manager and the Steering Committee to obtain updates on the status of the project.

Since our last report, the project team has developed an updated project plan. Some plan components have the appropriate details, and we understand the others will undergo completion or detail as the estimated start date draws near. We recommend that the Project Manager maintain the project plan so it will continue to provide sufficient detail so that all members of the project team can continue the project if a key member of the team leaves.

Spending

We previously reported that the Project Manager expects to complete IHRIS with the remaining legislative funding. According to the Project Plan and budget documents provided, the Project Manager expects to complete only a portion of IHRIS before the ending date for funding of June 30, 2001. To complete the remaining portions of IHRIS, the Project Manager expects to use existing Personnel and Training staff supplemented with external contractors as required. Without funding beyond FY2001, using Personnel and Training's operating budget will be necessary to complete IHRIS.

Deployment Schedule

On April 23, 1999, the Secretaries of Finance and Technology submitted a report to the Governor on their review of IHRIS. Since that time, implementation dates have slipped due to Y2K efforts at Personnel and Training:

<u>Subject Area</u>	<u>Original Deployment Date</u>	<u>Current Deployment Date</u>
Benefits Admin	December 31, 1999	August 21, 2001*
HR Admin	March 31, 2000	March 31, 2001 – February 11, 2002**
Training Admin	June 30, 2000	March 12, 2001
Health and Safety	No date set	October 21, 2002
Payroll	No date set	No date set

The above reference to payroll is only an estimate should the Department of Accounts (DOA) decide to participate in the new project plan. Currently, the State will continue to use its existing payroll system to process transactions and there are no plans to change the payroll process. Additionally, DOA will evaluate the results of the new project direction before they consider integrating the payroll process.

* The Project Manager has divided Benefits Admin into two phases. Phase One, planned for April 2000, will allow agencies to use the Internet to update benefits information using the existing benefits system. Phase Two will replace the existing benefits system with a modern system by August 2001.

** The HR Admin implementation will involve three phases: Compensation and Position Management, March 2001; Career Development, June 2001; and Applicant Tracking, February 2002.