OFFICE OF THE INSPECTOR GENERAL

The Maryland-National Capital Park and Planning Commission

Infor v10 Upgrade: Deliverables

Audit #: CW-001-19

MANAGEMENT ADVISORY REPORT

October 2018

Office of the Inspector General

MEMORANDUM

To: Casey Anderson – Chair, Montgomery County Planning Board
        Elizabeth Hewlett – Chair, Prince George's County Planning Board
        Patti Barney – Executive Director, Maryland-National Capital Park & Planning Commission
        Darin Conforti – Acting Director, Prince George's County Department of Parks & Recreation
        Gwen Wright – Director, Montgomery County Planning Department
        Andree Checkley – Director, Prince George's County Planning Department
        Mike Riley – Director, Montgomery County Department of Parks

From:
        Renee Kenney, Inspector General

        Sadat Osuman – IT Audit Manager, Office of the Inspector General

Date: October 2, 2018

MANAGEMENT ADVISORY[1]: INFOR ERP v10 UPGRADE – DELIVERABLES

Background

The Office of the Inspector General (OIG) of the Maryland-National Capital Park and Planning Commission (M-NCPPC or Commission) undertake an annual Commission-wide risk assessment to identify and rank risks within the Commission's business units, business processes, and information systems and then determine areas of high risks to allocate audit resources. As part of this year's IT risk assessment, the OIG considered risks associated with IT operations, critical business information systems, and IT-related business initiatives currently being undertaken by the Commission, among which was the Infor ERP v10 Upgrade project.

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[1] Management Advisory services are typically less in scope than a Performance Audit. Management Advisories do not comply with Government Auditing Standards.

The ERP upgrade project is a high-priority undertaking by the Commission, as it affects multiple business processes. A successful implementation will further enhance the Commission's ability to continue fulfilling its mission to the people and communities that it serves. With that said, the OIG included in its FY19 Audit Plan a management advisory to ensure critical requirements, as defined by the business, are identified and communicated to the Project Management Office (PMO) to be part of the final deliverables post implementation.

Scope and Methodology

In developing an approach and methodology for planning the advisory work, the OIG obtained a list of all Subject Matter Experts (SMEs) selected by the various departments within the Commission for the Human Capital Management (HCM), Enterprise Financial Management (EFM) and Supply Chain Management (SCM) modules from the PMO. Upon obtaining the listing (*Appendix A: Subject Matter Experts*)*,* the OIG met with the Purchasing, Finance and HR teams from Prince George's County Department of Parks and Recreation, Prince George's County Planning Department, Montgomery County Department of Parks, Montgomery County Planning Department and Central Administrative Services (CAS). The final requirement document, as provided by the PMO, was validated by each of team representing the different departments in an effort to ensure that i) the business are aware of exactly what they are getting after the original Go-live date, ii) there's agreement between the departments and the PMO as to the final deliverables and iii) anything promised but not on the final documentation could be followed up on with the PMO.

Meeting Results

The result of interviews and discussions held with the representatives of the various departments within the Commission for the HCM, EFM and SCM modules did reveal that generally, there is agreement to and alignment with the finalized requirements documentation (*Appendix B: Go-live Deliverables*) put out by the PMO, that will be implemented during the November go-live period.

However, it was also noted through the interviews and discussions that there are additional requirements that couldn't be incorporated within the original go-live period. Per the PMO, there are plans in place to implement the additional requirements sometime after the initial go-live. The OIG inquired to determine if all the post go-live deliverables have been clearly defined and communicated to the business units but was told a final decision have not been made. The PMO did however state that 5 deliverables are certain to be part of the post go-live implementation (*Appendix C: Tentative Post Go-live Deliverables*). The SME's agreed that the requirements identified for later implementation were not "show stoppers" and they would still consider the project a success should everything on the finalized document be implemented in November.

Conclusions and Recommendations

Based on the feedback received and sentiments expressed by the key stakeholders representing the business from the various departments during the initial meetings, it was determined that there's overall agreement as to what to expect from the project after the November Go-live date.

However, during a meeting with the Chief Information Officer (CIO) and PMO on August 29, 2018, it was determined that the listing that the OIG was given initially, as the final requirements document, has undergone a revision. As a result, some of the items that were presented by the OIG during the meetings with the departments SMEs as part of the Go-live deliverables for the November upgrade were no longer in scope. In total, 2 items were removed from the HCM deliverables; 3 from the EFM deliverables; and 6 from the SCM deliverables. Below were the reasons provided by the PMO:

- The two re-prioritized deliverables for HCM are dependent on the NeoGov onboarding module (which haven't been procured by the Commission yet) and additional PA automations (which are currently in progress), respectively.
- The 3 re-prioritized for EFM are deliverables dependent on the MHC application. Per the PM, information received from the vendor indicates that development of key functionality would not be completed by Nov 12th, hence, the need to implement after go-live.
- The 6 re-prioritized for SCM are deliverables pertaining to Warehouse Management, according to PM. It was noted that the decision was made to re-prioritize the deliverables because there was no direct warehouse management to own the recommendations. As a result, Central Purchasing took ownership of the decision to re-prioritize.

It is now the expectation of the OIG and the business that the first set of requirements will be delivered in November during the initial go-live. The OIG also recommends that the PMO, in collaboration with the business leaders, decide on which requirements will be delivered after go-live and a timeline of when the individual implementations will be taking place.

CC:

Audit Committee:

- Dorothy Bailey
- Norman Dreyfuss
- Benjamin Williams

Maryland-National Capital Park and Planning Commission:

- Mazen Chilet
- Reggie Dixon
- Adrian Garner
- Joe Zimmerman

APPENDIX A – SUBJECT MATTER EXPERTS (SMEs)

Enterprise Financial Management (EFM) Module:

Central Administrative Services (CAS):
- Barbara Walsh - Manager, Accounting
- Abbey Rodman - Manager, Treasury
- Tanya Hankton - Accountant
- Elaine Stookey - Accountant

Montgomery County Parks:
- Shuchi Vera – Chief, Management Services
- Carl Morgan- Chief, Park Development
- Sue Marciniak- Sr. Administrative Specialist

Montgomery County Planning:
- Karen Warnick
- Anjali Sood

Prince George's County DPR:
- Aaron Waller
- Melissa Ford

Prince Georges Planning:
- Lisa Washington
- Terry Johnson

Human Capital Management (HCM) Module:

Central Administrative Services (CAS):
- Bill Spencer- Head, DHRM
- Donna Truitt- Manager, HRIS
- Bonnie King- Sr. IT Support Specialist
- Jennifer McDonald- Manager, Benefits
- Steven Kawakami - Manager, Recruitment

Montgomery County Planning:
- Karen Warnick
- Robbin Brittingham

Montgomery County Parks:
- Shuchi Vera – Chief, Management Services
- Darlene Douglas – Asst. HR Manager
- Maureen Moyer – HR Manager

Prince George's County DPR:
- Lissette Smith

Prince Georges Planning:
- Ellen Brous – Snr. Administrative Specialist
- Kathleen Wilson – Administrative Manager

Supply Chain Management (SCM) Module:

Central Administrative Services (CAS):
- Stacey Pearson, Procurement Manager
- Mechelle Myers, Procurement Specialist
- Tanya Johnson, Procurement Admin
- Lawrence Taylor – Procurement Specialist

Prince George's Planning:
- Lisa Washington

Prince George's County DPR:
- John Pearson
- Aaron Waller

Montgomery County Parks:
- Shuchi Vera
- Carl Morgan
- Sue Marciniak

Enterprise Financial Management (EFM) Module:

Suite	Section	Observation	Recommendation
EFM	Accounts Payable	Invoice Receipt - PO M-NCPPC receives invoices three different ways – electronically in an AP distribution email group, physically via mail to the CAS location, and physically via mail to the field locations throughout the county.	Centralize where invoices are sent for processing. All invoices should be sent to CAS where they are electronically scanned, entered, and routed for approval.
EFM	Accounts Payable	Service type invoices Service type PO invoices are being keyed into Lawson and put on hold since AP is awaiting approvals. Once AP gets approval confirmation, the invoice is taken off hold and paid. There is no formal workflow to account for service type invoices.	RPI recommends incorporating service type invoices into a broader invoice approval flow with specific invoice approval criteria that has been established by the organization.
EFM	Invoice Matching	MULT PO Lines CAS discussed issues that occur matching invoices to PO lines that were coded with multiple accounting unit/account distributions on one PO line (**MULTIPLES**).	RPI recommends a training session for AP to review their current matching issue and allow RPI to advise on how to correctly process.
EFM	Invoice Matching	No receipt issues No receipts are the main reason for invoice matching exceptions. Requesters are requisitioning services as specials, which requires a receipt. Services are not tangible and typically do not have a receiving process. In many occasions, the services have been rendered, however the receiver has not been logged in the Lawson system.	RPI recommends formalizing a detailed training plan for Requesters to utilize when requesting services. Buyers should also have a detailed training guide for service processing. Ultimately, RPI recommends that an invoice approval process flow is created to route the invoice for Requester approval for confirmation of service.

EFM	Invoice Matching	Swapping PO Quantity and Amounts Certain service purchase orders are built with the quantity equal to the total dollar amount and the cost equal to $1.00. This PO formatting causes many matching issues and we recommend a correction to this process.	The purchase order quantity and amount fields should be used for their intended design. Altering the usage of these fields has downstream impact during the matching process. RPI recommends attacking this issue at the source –the requisition phase of the process. The requisition approval flow could be redesigned to control this type of incorrect coding.
EFM	Asset Management	Swapping PO Quantity and Amounts Certain service purchase orders are built with the quantity equal to the total dollar amount and the cost equal to $1.00. This PO formatting causes AM15.1 asset records to be created incorrectly.	The purchase order quantity and amount fields should be used for their intended design. Altering the usage of these fields has downstream impact during the matching and asset addition process. RPI recommends attacking this issue at the source –the requisition phase of the process. The requisition approval flow could be redesigned to control this type of incorrect coding.
EFM	General Accounting	Encumbrance Reporting – Ease of access 1. Central Administrative Services (CAS) controls the encumbrance reports that are distributed to the field. A crystal report produces encumbrance reporting at a summarized balance level (GL Budget to Actual Report), showing budget versus actuals. To get the encumbrance detail (RQ, PO etc), CAS manually creates a report using Microsoft Excel Add-ins. Report production takes approximately four hours every month and is only produced once per month. 2. The summarized encumbrance balance report (GL Budget to Actual Report) is available to the field at all times within Crystal Reports. The detail for this report is only provided by CAS once per month.	Encumbrance reporting provides visibility for a business owner into his or her operating costs and commitments at a specific point in time. RPI recommends enabling the field to generate their own encumbrance detail report at their discretion, not reliant upon CAS, so that business owners in the field are self-reliant and can gain insight into encumbrance detail when needed. The encumbrance detail report that CAS creates each month should be analyzed, re-engineered (if needed), and transplanted into Crystal. This alleviates four hours of report creation time by CAS each month, but more importantly, gives the field timely access to data when they want it.
EFM	General Accounting	Encumbrance Reporting – Report Bursting After CAS generates the encumbrance detail report, they send it to an email distribution list to the field. In one case, the report is then emailed on to six other users who filter the data and send to about forth purchasing agents in the field.	RPI or M-NCPPC should conduct an analysis to determine the required report recipients. The report itself should be created in Crystal and distributed to the intended recipients. The recipients can be maintained and M-NCPPC IT staff will be trained to update recipients when needed. Individuals should not be responsible for report distribution.

EFM	General Accounting	Encumbrance Reporting – Encumbrances as of… CAS has a requirement to be able to review encumbrances as of a certain period of time in the past but has struggled to create this type of report in Lawson.	RPI recommends reviewing the GLCOMMITX table and GL298/GL94. Both forms are using GLCOMMIT/GLCOMMITX as the source. . For GL10.1 (Budget Tab) Encumbrance Method = 0, Encumbrances on the GL298 will be from GLCOMMIT/GLCOMMITX as well as GLTRANS (DBGLGLT) with Status=1 (Released). . For GL10.1 (Budget Tab) Encumbrance Method = 1, Encumbrances on the GL298 will be from GLCOMMIT/GLCOMMITX. GLTRANS Status 1 items are considered Expenditures.
EFM	General Accounting	Encumbrance Reporting – Encumbrance Date Option The PO delivery date is currently set as the PO encumbrance date on GL01.6 (from GL01.4). The business would like the encumbrance to be based off the post date.	1. Per the requirements, the PO encumbrance date option is set correctly. The options in the field are: a. PO date b. PO delivery date c. System date 2. If the GL01.6 "PO Encumbrance Date Options" field = "S" (System Date) then the current system date is used, regardless of what is passed in for "Tran Date" or "Post Date". 3. If the GL01.6 "PO Encumbrance Date Options" field = "D" (PO Delivery Date) then the value identified in the "Post Date" column is used. 4. RPI recommends changing this option on the PO system to #3 – System date to test if this change meets their requirements.
EFM	General Accounting	Encumbrance Reporting – Updating Report Flexibility The field would like to be able to run the encumbrance report (GL Budget to Actual Expenditure by Summary Group_P.rpt) by a different summary account roll-up.	RPI recommends updating the current Crystal Report to allow for this new rollup requirement and all the field to run the report with either set of parameters.
EFM	General Accounting	GL Commitment Analysis Report GL298 The summary row at the bottom of the report is incorrect because it accounts for both revenue and expenses. MNCPPC needs to see these amounts broken out.	RPI recommends running the GL298 with the "Level Depth" setting at 1, 2, 3, or 4 to provide the correct transaction summary by level. If this parameter change does not work, RPI recommends creating a Crystal report or Spreadsheet Designer report to provide the required summaries.

EFM	General Accounting	Special Revenue Fund The field needs this existing report to capture prior period fund balance, broken down by accounting unit.	1. Level groups have been created in Lawson and should be incorporated into the current Crystal Report so that the business can run using this dimension. 2. Full business requirements still need to be gathered. The effort could move to Medium based on new discoveries.
EFM	General Accounting	GL Budget to Actual Expenditure by Summary Group The field requires this report to be adjusted to incorporate the last three years of transactions broken down by year and period. The field would like to perform trend analysis.	RPI recommends leveraging Spreadsheet Server to create this trend report. The report can be created and scheduled to run at a specified time (every Monday)
EFM	General Accounting	System Security We did not review security setup at a detailed level, but noticed users were not familiar with common forms within AP and GL.	RPI recommends a thorough review of security access against our recommended security setup by user Role. This will ensure the field and CAS are equipped with all necessary forms to properly perform their job function.
EFM	General Accounting	Access to analytics Department heads in the field are not able to quickly view key performance metrics for their departments.	RPI recommends creating LBI dashboards that provide department heads key metrics and analytics.
EFM	Cash Management	Positive Pay Process M-NCPPC does have a positive pay process to prevent against fraudulent checks being cashed. The custom ZB170 program produces the appropriately formatted positive pay file that Bank of America consumes.	1. There is no automated interface from ZB170 to Bank of America. RPI recommends a touch-less integration (leveraging IPA) automating the file transfer between Lawson and Bank of America. 2. Additionally, the CB170 is run and given to Treasury for archival. RPI recommends eliminating this process as the proposed integration can also send the Positive Pay file to certain business users and/or to defined network directories.
EFM	Cash Management	Check Reconciliation Process Treasury is performing check reconciliation (marking checks as cleared in Lawson) once per month. This reconciliation is happening two ways – manually on CB80 and CB185.	1. RPI recommends a touch-less integration (leveraging IPA) automating the file transfer between Lawson and Bank of America. MHC software can also support this process. 2. Bank payment files can be imported into Lawson and automatically update CB80 payments with no user intervention.

Human Capital Management (HCM) Module:

Suite	Section	Observation	Recommendation
HCM	Personnel Administration	Other Personnel Actions including Pay Changes and Status Changes, etc. Personnel actions are entered by EOB HR, which can cause the data entry to be delayed. The approval process for all personnel actions is being handled outside of the system.	1. Open up access for Department HR to key personnel actions into Infor Lawson as non-immediate with an approval process. 2. Initiate actions in Infor Lawson to allow the approval process to be maintained within the system.
HCM	Human Resources	Employee Self Service M-NCPPC would like to allow the following updates in ESS: address changes, name changes, tax withholding changes, emergency contact, direct deposit, beneficiaries, marital status, skills, credentials, competencies, education, and gender. They would also like to display SSN, pay stubs and W2s without update capability.	1. Deploy view-only functionality in ESS for employees as we plan for implementation of update capability. 2. Roll out update capability for a select group to pilot the functionality and then eventually roll it out to the entire company.
HCM	Human Resources	System Access There are some HR Department users who do not have Infor Lawson access and need to inquire on specific data within the system.	Perform security assessment to determine what users need access to what screens. Update security to allow for all users to have the appropriate access they need.
HCM	Reporting	Distributed Reports There are some reports that are pulled manually and distributed via email. It is unclear if every report is needed or if it is providing relevant information.	Standardize and minimize reports that are being sent throughout the organization. Also provide system access and training to users who should be pulling their own reports.
HCM	Reporting	General Reporting The team seems to have a good grasp of the reporting tools available to them and have just expressed interest in receiving IPA in relation to some reports.	Configure IPA to alert employees when specific reports are available and/or certain metrics have been hit.

Supply Chain Management (SCM) Module:

Suite	Section	Observation	Recommendation
SCM	Requisition	Punch-out Punch-out is not currently in use.	Punch-out for vendors like Grainger and CDW are a natural fit. Consider a cost benefit analysis for vendors like OfficeMax (or office supplies in general) which offer desktop delivery systems.
SCM	Requisition	Requisition Approval M-NCPPC is currently utilizing IPA for approvals. Levels are currently 30k, 150k, 500k and 1M. Notifications are being sent to approvals via email where they can approve, unreleased or reject. Requisitions over 500k never "time out". If lower levels do not respond within 48 hours, a reminder notification is sent. After 48 hours no new notifications are sent, and requisitions sometimes go stale.	Update IPA to send notifications every 24 hours after the first 48-hour notification is sent to the approver. Doing so will reduce the number of stale requisitions and trim down approval process time. Create a LBI report for requisitions waiting for approval that Supply Chain can monitor.
SCM	Purchase Order	No receipt issues No receipts are the main reason for invoice matching exceptions. Requesters are requisitioning services as specials, which requires a receipt. Services are not tangible and typically do not have a receiving process. In many occasions, the services have been rendered, however the receiver has not been logged in the Lawson system.	RPI recommends formalizing a detailed training plan for Requesters to utilize when requesting services. Buyers should also have a detailed training guide for service processing. Ultimately, RPI recommends an invoice approval Process Flow be created to route the invoice for Requester approval for confirmation of service.
SCM	Purchase Order	Swapping PO Quantity and Amounts Certain service purchase orders are built with the quantity equal to the total dollar amount and the cost equal to $1.00. This PO formatting causes many matching issues and we recommend a correction to this process.	The purchase order quantity and amount fields should be used for their intended design. Altering the usage of these fields has downstream impact during the matching process. RPI recommends attacking this issue at the source –the requisition phase of the process. The requisition approval flow could be redesigned to control this type of incorrect coding.

SCM	Reporting	Infrastructure M-NCPPC has LBI in use, but limited reports are built in the Material Management dashboard. Supply chain utilizes Lawson reports and MS add-in queries, however, report confusion as to where they should be going for certain data and expressed frustration over the number of reporting tools available.	RPI recommends that M-NCPPC have a Reporting and Business Intelligence Road mapping session. Document auditing can be turned on in LBI. Once on, reports can be developed to gain insight into which reports are being utilized and by which users. This can help with cleaning up non-valuable reporting. In addition to some LBI report modifications, purchasing would benefit from a high-level dashboard in LBI which displays actionable task counts for each of the LBI report queues.
SCM	Reporting	Lawson Reporting Many of the SCM staff are not aware that pre-delivered reporting exists within the Lawson application.	Learning about and accessing existing functionality and reports could be helpful to many of the users new to Lawson or just unfamiliar with the reporting components. When a user is looking for a particular form, report, or utility, it can be useful to enter "ICMN" into the Lawson search field.
SCM	Reporting	PO25 Analysis Reports	Consider building a report that allows the contract team to analyze a new agreement on a line-by-line basis based on past usage history. Also, consider building a report that verifies completeness; that a new agreement is not missing any key items that existed on the previous agreement.
SCM	Reporting	KPI's SCM Leadership does not have established KPIs that they are measuring across all sites.	RPI recommends having discussions around key performance indicators and implementing a process to track progress and efficiencies.

Human Capital Management (HCM) Module:

Suite	Section	Observation	Recommendation	Disposition as of 09/2018
HCM	Personnel Administration	Hire Process	1. Create an interface to import candidates who have been placed in a "Hire" status in NEOGOV into the PA31 in Infor Lawson. 2. Create 2 hire actions to be able to Hire employees via the PA52.4 3. Allow Department HR to initiate Hire actions.	9/6 - Per meeting with the team, recommendation will not be implemented by 11/12, Requirement will be reviewed when the commission is ready to integrate with NeoGov
HCM	Human Resources	Manager Self Service M-NCPPC would like to allow the following updates in MSS: Updates to PA26, initiate personnel actions and placing an employee on leave actions.	Train managers and deploy MSS access so that managers can initiate actions and update performance scores.	Manager actions will be handled by the custom program being developed to process PA in the field. The Other manager functions will not be rolled out at 11/12, for example, employee performance scores

Supply Chain Management (SCM) Module:

Suite	Item
SCM	Implementation of the *Strategic Sourcing* sub-module of the Supply Chain Management (SCM) module
SCM	Implementation of the *Contracts Management* sub-module of the Supply Chain Management (SCM) module

Enterprise Financial Management (EFM) Module:

Suite	Section	Observation	Recommendation	Disposition as of 09/2018
EFM	Accounts Payable	Invoice Entry Invoice entry at M-NCPPC involves two systems – AOS and Infor Lawson. Invoices are manually entered in both and there is no electronic workflow.	1. Eliminate the AOS check request system and leverage MHC for invoice entry. 2. Utilize OCR technology to reduce data entry. Implement an invoice approval flow to control invoice payment and reduce paper invoice exchange.	*To be implemented after go-live due to MHC schedule dependency*
EFM	Accounts Payable	Check Request Approval Limitation AOS only allows for two approvers for check requests. Some departments, including the Planning departments, require more than two approvers for certain invoices.	AOS will be discontinued in the near future and therefore check requests will not originate from AOS. MHC or IPA can be used for invoice routing and is flexible enough to accommodate more than two approvers.	*To be implemented after go-live due to MHC schedule dependency*
EFM	Invoice Matching	PO Invoice Entry in AOS The field receives a multi-lined PO invoice (sometimes upwards of 50 lines) and enters it into AOS. The field does not have a place to identify the correct PO line to match the invoice amount to.	Eliminate the AOS system. PO invoice keying will be done in MHC and there can be a real-time lookup into Lawson, so the invoice enter can code invoice against PO lines.	*To be implemented after go-live due to MHC schedule dependency*