

TO: Members of the State Bond Commission  
Members of the Mississippi Legislature

FROM: Edward L. Ranck

DATE: January 15, 1996

SUBJECT: **Report on the Mississippi Management and Reporting System Revolving Fund**

This report is submitted pursuant to the requirements of § 7-7-3 (5), Miss. Code Ann. (1972), which reads in relevant part:

On or before January 15 of each year, the State Fiscal Officer shall present a report of all expenditures made during the previous fiscal year from the Mississippi Management and Reporting System Revolving Fund to the State Bond Commission and to the Legislature.

### **Fiscal Year 1995 Activities**

During Fiscal Year 1995, the State with Deloitte & Touche, LLP, began implementation of the Statewide Payroll and Human Resource System (SPAHRs). SPAHRs will provide a centralized human resource and payroll system for use by state agencies and will replace the outdated employee/position control and projection system currently in operation at the State Personnel Board and the Common State Payroll System currently in use by the Department of Finance and Administration. Since SPAHRs will operate from a single data base of all employee/position related information, the duplication of effort now required to support the separate payroll and personnel systems will be eliminated. Agencies will be able to submit personnel transactions online. Paper now flowing between the line and control agencies will be reduced and, in some cases, eliminated. The deliverables for the System Objectives and Requirements Analysis were completed during Fiscal Year 1995.

The Governor's Morning Report (GMR), the first function of the Executive Information System (EIS), was implemented during February 1995. The GMR consolidates payroll and human resource information from the State Personnel Board, the Department of Finance and Administration, and others.

During May 1995, MMRS began developing the broader requirements for the Mississippi Executive Resource Library and Information Network (MERLIN), the State's EIS. MERLIN, once implemented, will provide executive information and decision support in numerous subject areas including work force, revenue, expenditures, budgets, financial statements, cash balances, economic and statistical, capital projects, and debt. Seltmann, Cobb, and Bryant assisted MMRS and a Task Force, representing the Executive and Legislative

branches, to plan and develop requirements for this system.

Enhancement of the Statewide Automated Accounting System (SAAS) continued. New modules for grants management, sub-grantee processing, and performance measurement/program expenditures were added.

Four additional agencies became online SAAS users. The Offices of Vocational Rehabilitation and Vocational Rehabilitation for the Blind of the Mississippi Department of Rehabilitation Services were implemented October 1, 1994, the Workers' Compensation Commission on January 1, 1995, and the State Board of Dental Examiners on June 1, 1995.

### **Fiscal Year 1996 Activities**

During Fiscal Year 1996, MMRS, working with the MERLIN Task Force, numerous sub-committees of agency and legislative representatives, and the Department of Information Technology Services, completed the requirements for the data warehouse that will be the basis of the executive information and decision support systems. MERLIN is scheduled to be advertised for bid in January 1996. MMRS plans to have the vendor on board in July 1996 and the first subject areas operational before July 1997.

The SPAHRS development project was divided into 14 functional segments. Seven of these segments are underway. Conversion of the six pilot agencies to the new SPAHRS system is scheduled for the third quarter of Fiscal Year 1997. These pilot agencies are the Departments of Finance and Administration, Information Technology Services, Corrections, Education, Health, and the State Personnel Board. Representatives of these agencies are actively participating in the design and development of this system.

During July 1995, MMRS implemented a new security system for SAAS thus satisfying a long standing audit requirement. MMRS also began the upgrade of SAAS to handle the century change for the year 2000 and the development of an improved, less labor intensive, budget interface between the Z-1 form and SAAS. The development of an electronic infobase of SAAS documentation is also under development. This infobase will replace the paper based manuals presently in use.

Twenty agencies are using SAAS exclusively as their agency accounting system. These agencies comprise 78.92% of the Fiscal Year 1996 General Fund expenditure budget and 68.22% of the total Fiscal Year 1996 appropriated expenditure budget available to be on SAAS.

The Bureau of Narcotics, Department of Archives and History, and the Board of Pharmacy are scheduled to become online users during March 1996. With the implementation of these agencies, the percentage of those General Fund expenditures handled online in SAAS will increase to 79.44% and the percentage of the total appropriated expenditure budgets will increase to 68.43%.

### **Summary**

Since Fiscal Year 1993, notable progress has been made to support the State's commitment to developing a comprehensive system to provide accurate, timely information about the State's financial condition, work force requirements, and delivery of services. We look forward to continued progress in the upcoming years to reach our ultimate goal of providing the kind of management information required by the State's decision makers.

Attachments

**STATUS OF MMRS REVOLVING FUND  
AS OF JUNE 30, 1995**

**FY 1995 EXPENDITURES**

SPAHRs Project	\$1,177,819.21
Statewide Payroll and Human Resource System	
MERLIN Project	\$193,858.39
Mississippi Executive Resource Library and Information Network	
Administration	<u>\$353,300.68</u>
Total Expenditures	\$1,724,978.28

**CASH**

Beginning Balance, 07/01/94	\$13,902,177.06
Plus: Interest Earned on Investments	\$594,516.05
Plus: Interest on Recovery of FY94 Expenditures	\$22,281.91
Plus: Recovery of FY94 Expenditures from State Agencies	\$898,462.81
Less: Expenditures	<u>(\$1,724,978.28)</u>
Ending Balance, 6/30/95	\$13,692,459.55