

**American Rescue Plan (ARP) State Fiscal Recovery Funds (SFRF) Request Form**

Please complete this form in accordance with the process instructions.

**Agency/Point of Contact:** Minnesota Management and Budget (MMB)/Britta Reitan, Deputy Commissioner

**Title of Request:** Enterprise Resource Planning (ERP) Systems Risk Reduction

**Date:** 6/22/2022 **Request Amount:** \$ 5,000,000

**Expenditure Time Period:** 7/1/2022 to 6/30/2023 (no later than 6/30/2023)

**Brief Summary of Request:** (Summary must be complete on this page with supporting information attached)

MMB owns and operates the state's enterprise resource planning (ERP) system. The ERP systems consist of the state accounting and procurement system (SWIFT), human resources, payroll, benefits, and recruiting system (SEMA4), the enterprise learning management system (ELM) and the data warehouse reporting system. These systems are used by state agencies in all three branches of government to conduct their essential daily business functions.

Costs to support and maintain these systems continue to grow but MMB does not have sufficient funding to support all system needs. This underfunding has resulted in increased risks to the systems. MMB requests \$5 million to reduce or delay immediate risks to the stability of the state's ERP systems. The most critical need is an upgrade to the data warehouse reporting system. This system was implemented in 2011, and due to a lack of resources, MMB has not been able to update and enhance the foundational system infrastructure since that time. The data warehouse is becoming increasingly destabilized due to its aging and unsupported infrastructure. The system is essential to the reporting of financial and human resources data out of the other ERP systems, including federal reporting and the necessary reporting of the state's COVID-19 federal funding. If the data warehouse fails, it will result in a lack of transparency and inability to meet regulatory deadlines. With the funds requested in this proposal, MMB can begin Phase 1 work to stabilize the data warehouse as well as provide other necessary infrastructure and software support for the state's other ERP systems. MMB must begin the data warehouse project now to reduce the risk of failure.

The project will:

- \*Purchase a necessary software license that will also provide ongoing maintenance from the vendor.
- \*Provide staffing and contractor resources who will: upgrade the database to remove references to an off the shelf software and stabilize it as a custom developed database that can be kept current; apply the license and upgraded software; and analyze the impact to over 5,000 queries that transfer data from the ERP systems to the data warehouse.

The requested \$5 million will not be enough to complete the project, but it will allow Phase 1 of the work to begin. This funding may also be used to address other critical infrastructure and software support of the state's ERP systems.

\$4.0 million in expenditures from this allocation will be contingent upon sufficient receipt of funds returned to the state resulting from the cost-sharing provisions identified in hospital contracts and additional underspending that occurred from the MDH Emergency Temporary Staffing Pool Hospital Supplemental Staffing allocation approved on January 15, 2022 under LCRC Action Order #11.

**Britta Reitan** Digitally signed by Britta Reitan  
Date: 2022.06.23 13:09:27 -05'00'

Department Head Signature

Date