2018 Special Session I

Budget Bill - HB5002 (Chapter 2)

Bill Order » Office of Finance » Item 259

Department of Accounts

Item 259	First Year - FY2019	Second Year - FY2020
Information Systems Management and Direction (71100)	**$26,140,587**	**$36,311,025**
Financial Oversight for Performance Budgeting System (71107)	$2,660,587	$2,684,775
Financial Oversight for Cardinal System (71108)	$23,480,000	$33,626,250
Fund Sources:		
Internal Service	$26,140,587	$36,311,025

Authority: Title 2.2 Chapter 8, Code of Virginia

A. The appropriation for Financial Oversight for Performance Budgeting System and Financial Oversight for Cardinal System is sum sufficient and amounts shown are estimates from internal service funds for the Commonwealth's enterprise applications which shall be paid solely from revenues derived from charges for services. All users of the Commonwealth's enterprise applications shall be assessed a surcharge based on licenses, transactions, or other meaningful methodology as determined by the Secretary of Finance and the owner of the enterprise application, which shall be deposited in the fund. Additionally, the State Comptroller shall recover the cost of services provided for the administration of the fund through interagency transactions as determined by the State Comptroller.

1. Out of this appropriation, the Performance Budgeting System is appropriated $2,660,587 the first year and $2,684,775 the second year from internal service fund revenues.

2. Out of this appropriation, the Cardinal Financial System is appropriated $18,480,000 the first year and $19,404,000 the second year from internal service fund revenues.

3. Out of this appropriation, the Cardinal Payroll System is appropriated $5,000,000 the first year and $14,222,250 the second year from internal service fund revenues. The first year amount of $5,000,000 represents four months of operating costs incurred after the full transition to the new Cardinal Payroll System during the first year. The operating costs incurred during the transition are funded through the Working Capital Advance included in paragraph B.1. of this Item.

4. The State Comptroller shall submit revised projections of revenues and expenditures for the internal service funds for the Commonwealth's enterprise applications and estimates of any anticipated changes to fee schedules in accordance with § 4-5.03 of this act.

5. In the event that expenses of the enterprise applications become due before costs have been fully recovered in the department's internal service fund, a treasury loan shall be provided to the department to finance these costs. This treasury loan shall be repaid from the proceeds collected in the funds.

B.1. A working capital advance of up to $52,000,000 shall be provided to the Department of Accounts to pay the

initial costs of the replacement of the Commonwealth Integrated Payroll/Personnel System (CIPPS). Initial costs include any costs necessary for the planning, development, and configuration of the new payroll system. Initial costs do not include statewide roll-out costs necessary to ensure agencies are prepared for the implementation of the new payroll system and the decommissioning of CIPPS such as applications configuration, agency training, change management costs, or costs incurred by line agencies to develop required interfaces from agency based systems. From this amount up to $10,000,000 may be directed toward any unforeseen costs associated with the roll-out of the statewide financial management system known as Cardinal.

2. The Secretary of Finance and Secretary of Administration shall approve the drawdowns from this working capital advance prior to the expenditure of funds. The State Comptroller shall notify the Governor and the Chairmen of the House Appropriations and Senate Finance Committees of any approved drawdowns.

3. Repayment of the working capital advance and ongoing systems operation, maintenance and support costs for the statewide payroll system shall be funded through the Cardinal Payroll System Enterprise Applications Internal Service Fund established in paragraph A.3. of this Item.