OKLAHOMA STATE DEPARTMENT OF HEALTH

MEMORANDUM

DATE: JANUARY 31, 2018

TO: PRESTON DOERFLINGER

FROM: MICHAEL ROMERO

RE: RESPONSE TO OMES JANUARY 23, 2018 RECOMMENDED RESTRICTIONS FOR OSDH

In order to assist in understanding these complex issues and to also streamline the task of dealing with the various problems that have arisen with regard to the protection and stewardship of public resources, this Memo is provided to outline a few further items for clarification which may have been subject to assumption and misperception.

The OSDH mainframe financial system (FISCAL) is different from the statewide accounting system of record (PeopleSoft) because it specifically identifies federal and state funds at a detail level in the following fashion:

I. THE BASIC OKLAHOMA STATE DEPARTMENT OF HEALTH MAINFRAME ACCOUNTING SYSTEM

A. The OSDH General Ledger System:

1. The Oklahoma State Department of Health (OSDH) has a complex set of coding requirements for the identification of its financial activities in its general ledger system. In that system, the accounting chart of accounts is designed so that expenditures and revenues are tracked at the Fund, Account, Sub-Account and Object-of-Expenditure levels. This level of tracking results in a **twenty-six digit accounting code** which provides the detail required to maintain accuracy in reporting its numerous activities and programs.

B. The OSDH 26-Digit Accounting Codes:

1. Funds which contain seven-digit codes are separated into Appropriated, Revolving, and Federal fund types using a numerical sequence. The 190 (19X; last digit = fiscal yr.) series is used for State Appropriated funds, the 200 series for Revolving funds and the 400 series for Federal funds. The funds are then further defined using a Revenue Source Code that is an alphabetical two letter code. This code differentiates individual funds by revenue source within each three-digit series.

The fund codes also contain one digit for the Federal fiscal year and one digit for the State fiscal year.

2. After the Funds and the Revenue Source Code, there are the Account Codes. The Account Codes contain ten alpha and numeric digits that hold information about appropriation numbers, state fiscal year, health department division, service type within the program and location.
3. After the Funds, the Revenue Source Codes and the Account Codes, there are Sub-Accounts which contain five-digit numerical codes that relate to the hierarchy of the OSDH's broad health activities as determined by the Board of Health. These Health Activities are grouped into categories that are ranked according to their public health value. These health "imperatives" range anywhere from core public health functions which are federally sponsored or are required by state statute, all the way to research oriented health analysis and data collection.
4. Finally, after Funds, Revenue Source Codes, Account Codes and Sub-Accounts there are four-digit object of expenditure codes which designate what the expenditure was for (e.g., regular payroll salary, insurance, etc.).

C. A typical Example of a Federal grant budget at OSDH could have the following 26-digit structure:

Fund	Account	Sub-Account	Object of Expenditure
400CP87	0018202J0A	20003	1111

Where the codes stand for the following:
400-Federal Fund, CP-Revenue Source, 8-Federal Fiscal Year, 7-State Fiscal Year;
00-Appropriation number, 18-State Fiscal year, 20-Health Department Division;
2J-Service chief (delineates different activity expenditures within a fund);
0A-OSDH Program Location;
20003-Health "Imperative" (e.g., Infectious Disease Surveillance and Control);
1111-Regular payroll salary.

D. OSDH Budgets and Financial Postings to its Accounting System:

1. Budgets based upon revenue expectations are created for each program for the state fiscal year and entered into the OSDH general ledger system with allotments by quarter. To post expenditures to the OSDH system **both sufficient budget and cash must be present.** Cash is added to funds either by posting revenue received in the current year or by rolling cash to the current year's revolving funds from the previous year's revolving balances.

II. THE BASIC OMES PEOPLESOFT ACCOUNTING SYSTEM FOR OSDH ACTIVITY

A. The OMES Budget Reporting Levels:

1. The Office of Management Enterprise Services (OMES) has a financial system that tracks the various financial activities of the OSDH.
2. The OMES system is used to process expenditures to the OSDH budgets and has been referred to as the state's "accounting system of record."
3. The OSDH budget reporting at OMES is comprised of the four following parameters:

- **A "Class fund" (40000-which is the fund plus the appropriation number);**
- **The OSDH division and Sub-Account, labeled at OMES as the "Department" (e.g., 2020003);**
- **A "Budget Reference Year" (e.g., 18);**
- **An Object of Expenditure code (OMES Activity Codes; e.g., 511110);**
- **"40000 2020003 18 511110".**

4. While there is some detail level within this system, it does not identify the different programmatic areas at the OSDH.
5. Although the cash maintained at OMES is recorded at the "**Class Fund-Department-Budget Year-Object Code**" level, **it is expended at the Class Fund level only.**
6. This means that the cash is not specifically identified at OMES and it exists like cash within a "bucket" (i.e., it is not tied to a specific program or activity).
7. The summary cash identification employed by the OMES system causes the funding sources to be grouped together without the ability for the OMES system to differentiate between separate grants or other programs.
8. This in turn forces the comingling of the cash funds in the OMES accounting system because the funds which are maintained for the OSDH at that limited detail level are not capable of being separately identified in the OMES PeopleSoft system exactly as they are at the OSDH.
9. For example, in the OMES fund structure described above (*e.g.*, 40000 2020003 18 511110), which would include items such as the RYAN WHITE grant funds, there would also be expenditures and revenues from eighteen other different grants and contracts that are all lumped together in an unidentified fashion (*See comparative table below*).
10. With OSDH cash expended through OMES at the Class Fund level only, when the cash is expended it is expended as to a sum of interchangeable cash and not as to a specific program identifier.
11. The cash is lumped together and spent from a "cash bucket."

The table below shows a comparison of the identification of OSDH funds within its system and the same funds in the OMES system.

This identification of these accounts through the OSDH accounting system has been referred to as a "supplemental system" ranging from things like Excel spreadsheets, to third party software, to home grown financial systems.

I'm certain that the information would clearly show that such is not the case as to OSDH maintenance of these records.

COMPARATIVE TABLE SHOWING THE ACCOUNTING IDENTIFICATION OF 18 FEDERAL FUNDS BY OSDH AND OMES.

Federal Grant Name	OSDH Fund	OSDH Revenue Source	OMES CLASS FUND	OMES Dept.
Tuberculosis Elim	400	BA	40000	2020003
HIV Surveillance Project	400	BL	40000	2020003
TB&S EPI LAB & HEALTH ISC	400	BQ	40000	2020003
Viral Hepatitis Surveillance	400	BR	40000	2020003
Adult Viral Hepatitis	400	BU	40000	2020003
Immunizations VFC	400	CD	40000	2020003
Sexually Trans Dis	400	CG	40000	2020003
ELC EBOLA SUPP	400	CL	40000	2020003
Ryan White	400	CP	40000	2020003
HIV Prevention	400	CT	40000	2020003
ELC ZIKA	400	DB	40000	2020003
Build & Strength EL&HISC	400	DG	40000	2020003
PPHF Immunizations	400	DJ	40000	2020003
Ebola Grant	400	DQ	40000	2020003
Lab Medicaid (OHCA)	400	G2	40000	2020003
Immunization (OHCA)	400	GV	40000	2020003
Immunization Medicare	400	JF	40000	2020003
OKOSH Web EOC	400	JT	40000	2020003
	(DIFFERING IDENTIFICATION)		**(EXACT SAME IDENTIFICATION)**	

III. THE DIFFERENCE IN THE IDENTIFICATION OF FUNDS

A. The OMES PeopleSoft Accounting System Identification of Separate Funds:

1. From the above table, it is easy to see that for each Federal Grant Program listed, the OMES system identifies each item the exact same way while they are separately identified by the OSDH.
2. While the mainframe accounting system at OSDH is approaching 40 years old, it is still able to report the operating activity at a level which separately identifies the funds between federal grants, federal programs and various state revolving fund activities.
3. The PeopleSoft system at OMES is not presently capable of identifying this level of separation but essentially aggregates all cash funds at a summary level for all Federal funds (except WIC pass-through) and also cannot separate several industry-driven revolving funds.

4. The OSDH cash maintained at OMES is basically reported within the OMES financial system at a total level; similar to reporting on the total weight of a bucket rather than knowing what specific items make up what's in that bucket.
5. When cash is expended, it goes out of the OMES bucket in an unidentified fashion.

IV. THE IDENTIFICATION ISSUE ALSO OCCURS WITH REVOLVING FUNDS

A. The OMES PeopleSoft Accounting System Identification of Separate Revolving Funds:

1. Like the table above for federal funds, the same would occur for various revolving funds.
2. Those funds affect operations for several areas. Some of which are regulated directly by statute and several which function under the requirements of legally promulgated rules.
3. Nonetheless, the funds which are generated are not identifiable to a program even though the programs may promulgate rules which create the fund revenues and those revenues would be required to manage the various programs' compliance.
4. The Public Health Special Fund created in 63 O.S §1-107 states "All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Commissioner for the purpose of maintaining and operating the State Department of Health, and in administering and executing the laws pertaining to the duties and functions of the State Department of Health." The OMES budget staff that provided input for the January 23rd Memo cite this statute as a means for postulating that intra-fund loans do not need to be restored or could be forgiven.
5. The statute does not state that the funds should become fungible when the revolving monies are not governed by a specific statute or that it would allow cavalier management of any revolving fund not specifically identified by some statute. It most logically refers to these funds after they have accomplished the appropriate task from which they emanate.
6. A "statute should be interpreted to produce a reasonable result, and to promote rather than defeat, the general purpose and policy of the law. The apparent purpose of a statute will not be sacrificed to a literal construction." *See e.g., Phelps v. State, 598 P.2d 254 (1979); See e.g., Grand River Dam Authority v. State, 645 P.2d 1011 (1982)* ("The legislature will not be presumed to have intended an absurd result, and a statutory construction which would lead to an absurdity will be avoided if this can be done without violating the legislative intent.")
7. 63 O.S §1-107 was not developed to create a platform for fiscal unaccountability.

V. THE LACK OF IDENTIFICATION OF CASH ALLOWED THE SYSTEM TO BE USED LIKE A LINE OF CREDIT

A. The OSDH used the system like a credit line to cover over-expenditures:

1. This "credit line" worked like any other business credit line at a bank.
2. Just like a line of credit or a credit card, once the upper limit is reached, the credit runs out.
3. The OSDH had exhausted its "credit" with year over year of over-expenditures.
4. Once the cash in the bucket got too low, the agency's operations were teetering on the verge of bankruptcy.
5. Cash was needed to restore the cash in the bucket so that the OSDH would not go broke.

6. **The detail-level financial reporting occurred at the OSDH allowing the over-expenditure of funds from the prior periods to be completely traceable.**
7. **The funds were simply over-expended and the accounting activity of the cash line of credit within the statewide system was not caught.**
8. Expenditures which drain cash flow are a common business problem, especially when the business must use its own cash to front costs for a product that it produces or a service that it develops and then later sells.
9. The business would most likely front this type of production cost with cash assets on hand or a line of credit from a bank.
10. It would then have to sell its product or service to gain the revenue needed to reimburse its cash credit source with new cash and thus maintain its line of credit for its sustainability.
11. In the case with the OSDH, the "product" is service delivery by means of its personnel with the personnel cost primarily being the thing that is covered by cash or credit line until cash is later received (through grant reimbursement, county millage, etc.).
12. When large costs had to be fronted by the OSDH and the cash needed to cover those costs was not available through normal budgetary operations, the line of credit in the OMES "cash bucket" was used.
13. The cash in the "line of credit" continued to decrease because the reimbursement wasn't being, nor could be, realized quickly enough.
14. Reimbursement at the OSDH could not happen because the old mainframe OSDH system had enough built-in controls to prevent the posting of over-expenditures. Without the posting of the costs incurred, reimbursement could not take place or was severely hindered and limited.
15. This process, combined with the agency's over-expenditures, pushed the agency to the brink of bankruptcy due to the cash shortage that grew over time.

VI. Segregation of restricted federal funds:

The current process at OSDH for reimbursement of expenditures the agency has already paid out is to draw federal funds on a weekly basis. There are times when OSDH has drawn funds for payroll so that those funds would be deposited and available in the OMES system on the same day they are being expended for the current payroll. There are also times OSDH has drawn funds for invoices that were waiting to be processed for payment on federal funds through Accounts Payable.

Currently OSDH regularly receives rebates on two federal grant programs which are WIC and Ryan White. The WIC program has a fund "700" established at OMES for the initial deposit of the food rebates and then as the funds are needed for expenditure they are transferred to the "340" fund. The fund "340" is for the Food portion and they also have a fund "400" for the Administrative portion of their federal WIC award. There is currently not a separate fund for the deposits of rebates related to the Ryan White program. These deposits are made to the same fund at OMES as is used for draws from the Ryan White program.

OSDH needs to operate such that each federal grant program's funds are to be treated as restricted and thus, the daily cash report was established in order to identify these funds. The funds related to any federal grant are not allowed to be used for expenditures against any other agency program or federal grant but are only available for the purpose identified in the grant application and award documents. Considering this information, the OMES accounting system would need to identify each federal fund uniquely so as to not comingle each of the funds

from federal programs with other federal programs. This would be a rather large undertaking as to OSDH and even more so to include other agencies as this would also now be an identified problem for several federal funds held at OMES.

These same concerns would also apply to other funds at OSDH. There are 2XX funds (revolving funds) that would likewise need to be identified in the OMES accounting system with a unique fund. This is essential as various regulated industry boards may also correctly take the position that their funds should be capable of such identification (as discussed above pursuant to rules which drive industry requirements and revenues).

VII. Proper funding of payroll in HCM system:

The current process at OSDH is to fund the agency payroll on the "400" fund in order to process it for payment at OMES. After the payroll is completed, OSDH gets a detailed file of staff and amounts paid. OSDH creates a distribution which identifies the costs by staff to the actual specific budgets designated for their payroll expenditures. This detailed distribution is used to realign the payroll expenditures posted at OMES to the "400" fund back to all the actual specific budgets in the OMES accounting system. This realignment process occurs the week after the payroll is paid so that the timely and proper identification of costs is made.

In the January 23rd Memo it states that OSDH is "now funding all payroll with their 400 fund and not properly correcting that funding". The beginning of this statement is accurate because OSDH does fund payroll initially with the "400" fund. However, OSDH does also properly realign all of the payroll costs back to specific budget as described above. This process is not ignored by the OSDH but was a burden under the previous administration's leadership in over-extending the agency's financial position.

Prior to the processing of payroll on the "400" fund, OSDH processed payroll with each employee split between the funds 19X, 210, and 400. The step in the OMES payroll process that performed the budget check for this activity was taking a minimum of four hours or more for the OMES system to execute. This step had to be completed prior to moving forward in the conclusion of the payroll process. In working with OMES for solutions, OSDH began to process payroll by using just the "400" fund on or about SFY 2014. This change reduced the processing period for this step and has been in place since then.

There are additional concerns about assigning funding by employee in the HCM system. Increasing the number of unique funds in the OMES system as described under original January 23rd Memo Item #1, will result in funding payroll costs on all those budgets in HCM. In such a case, the budget check process would take more time to execute in proportion to all the additional budgets. This may result in a substantial enough delay in processing that OSDH would be unable to meet the established OMES deadlines in order to have the payroll processing completed.

The OSDH would also have problems getting all of the funding input into the HCM system and then maintained throughout the course of the year. The staff at OSDH in Human Resources currently has the access to input this information. Since OSDH budgets are both complex in nature and very numerous it would be logical for OSDH budget staff to perform this function. OSDH would need to confirm whether the HCM system could be set up to allow security access for its budget staff to work in the screens needed to perform these duties without having access to other HCM screens.

An additional issue to address would be the time it would take to resolve problems with either cash or available budget during the payroll process in the HCM system. If OSDH were to assign funding by employee in the

HCM system it would increase the opportunity for the payroll to fail because of either cash or available budget requirements related to any of these funds. The payroll staff would then need to coordinate with other finance staff so that this issue could be addressed and resolved. This could also create such a delay that OSDH would be unable to meet the OMES payroll deadlines.

If the OSDH intends to proceed in a fashion which would develop PeopleSoft class fund accounts for the various affected OSDH funds subject to the risks noted in the original Memo, a list of funds requiring such setup is attached. Also, pursuant to the concept behind the proposed methodology, state budgets designated for a sole purpose may also need to be created in the PeopleSoft system. As noted above, pursuit of such an idea will compound several accounting issues and time requirements. Similarly, it would also have to be applied across other agencies as any other normal internal control platform would be implemented.

VIII. Other Cost Considerations

Finally, some of the financial difficulties that have plagued the OSDH in recent years are its expenditures for information technology. These non-personnel expenditures will certainly affect program areas as the OSDH implements a zero-based budgeting approach for SFY 2019, including the possibility of addressing the costs of a new agency financial system.

At some point in early October 2017, there was a meeting arranged by Julie Cox-Kain in which she, Deborah Nichols OSDH COO, Michael Romero OSDH CFO, Ashley Neel (OMES) and Brandy Manek (OMES) discussed a cash flow shortage for OSDH and its risk of defaulting on payroll. It has come to my attention that I may have misspoken as to the exact date of this particular meeting. Nonetheless, at this meeting, Nichols and Romero disagreed to the proposal by OMES staff for OSDH to adopt a scheme to use federal funds as a cash flow vehicle for the coverage of upcoming payroll obligations. While OSDH is now very cautiously protecting restricted funds through the daily cash report, I am concerned that the OMES employees put forth this option because they were precisely acquainted with the possibility that the statewide accounting system could be abused in this fashion.

Well prior to this meeting, on August 4, 2017, Ashley Neel (OMES) was specifically involved in providing temporary allotment in order to facilitate a "reverse cash transfer" of $3MM from TSET to OSDH. The request for this activity came from OSDH Business Planning Director Felesha Scanlan for the transfer to be "expedited as quickly as possible." (See attached E-mail string of 8/4/2017).

Further, on September 28th, 2017, former Senior Deputy Commissioner Cox-Kain and former Commissioner Cline requested a special audit from the State Auditor and inspector noting on the face of the request itself that their appeal was due to "being provided information in June 2017 of a budget and operating cash shortfall moving into SFY 2018."

As recently as November of 2017, your assistant, Ms. Carol McFarland (OMES) informed me and at least one other senior person here at the OSDH that she had herself provided the idea of the special audit request for the OSDH to Cox-Kain. McFarland's suggestion would surely have been prior to the date of Cline and Cox-Kain's actual request of September 28, 2017. As such, it would appear that there was previous knowledge somewhere within OMES that the OSDH was in financial trouble. This is important because how the solutions are to be approached will take the input of others who may be more intricately acquainted with the accounting nuances of the OSDH FISCAL mainframe system.

Lastly, attached are some reports which show amounts that the OSDH has spent on IT over the last several years. I am not certain what specific savings the OSDH has achieved so far but maybe there is a study that can help to better clarify this (e.g. what the specific deliverables were, their itemized costs, costs for project "kick-off" meetings, etc.). I'm certain that the Oklahoma State Government IT Project Monitoring and Transparency Initiative found at 62 O.S. §34.11.8 would be an excellent starting point for this type of analysis; especially since the Statement of Work (SOW) process for the IT projects is relatively new and was not used for all of the past projects. I believe that this would greatly assist the OSDH in implementing its corrective measures because it could better identify the metrics associated and utilized to pursue such a large non-personnel cost.

Unfortunately, some of the previous costs may have come from a prior investigation into a PeopleSoft "Core Phase II" project that appears to have been scrapped because of problems with matching it to the needs of the agency. In fact, I was in a meeting in early January 2018, in which the OSDH Informatics Director (Becki Moore, OMES employee) informed that OMES had decided to halt further investigation by the OSDH into its own new accounting system (Microsoft Dynamics platform) because OMES was going to first perform a "gap analysis". This analysis would be for the purpose of ascertaining what it would take for the OSDH to attempt to implement the "Core" PeopleSoft product again.

This was after OSDH had spent quite a bit of time meeting and communicating with Microsoft representatives with the assistance of OMES personnel (see attached January 2, 2018, E-mail from OMES personnel discussing such). Certainly of importance to the OSDH and a surprising development since the OMES Interim Director has publicly described the OSDH financial system as "supplementary" and in keeping with such things as spreadsheets and home-grown financial systems. This would make sense if the OMES position is that it has nothing to do with such IT and that it does not make management decisions on agencies' IT projects beyond essential services required by law.

Therefore, it is imperative for the OSDH that its accounting system and its inputs which are subject to audit by the State Auditor and Inspector be clearly identified as to whether such form the basis for an IT project that is an essential service or something that is a management decision. **It would seem that if OMES has made the decision for the OSDH not to pursue the Microsoft accounting product any further that their position is that the OSDH accounting system is an essential service.** (See attached E-mail of 1/29/18 further showing that OMES is directing this activity). Obviously, this is important for clarification for OSDH Executive Leadership because it raises several significant issues regarding all of the matters related to how the OSDH should structure its financial accounts, build its internal controls, etc. and also how the State of Oklahoma will continue to handle the management of large federal and revolving funds.

It essential as we continue to build upon the approach taken in the corrective action report, we analyze all currently existing IT project costs. Enclosed is an example of a current project that will be awaiting funding for invoicing to be paid. It is concerning to me as I am sure it will be to you that there is a cost on page three for a "project kickoff meeting" of over $31,000.00. The OSDH will never again be in a position to sustain cavalier monitoring of its non-personnel costs. Thus, contract monitoring by OSDH's OMES representatives will need to be just as rigorous as they would be in any normal business environment.

More issues can be seen in the OSDH "Orion" project (2018 extension attached). OSDH has lengthy contract documents with communications between the OMES and Orion representatives with quite a bit of information regarding potential buckets of vaguely identified project hours which never appear to have a conclusion. **The costs are in the millions of dollars of federal funds and other state and revolving funds including various**

maintenance and set-up costs which were haphazardly funded and managed for years by former Senior Deputy Commissioner Cox-Kain and her Business Planning Director Scanlan. Although it is a time and materials agreement with no guarantee of completion of the deliverables in the scope of work within the estimated hours, the OSDH would be better positioned to manage its budget, as well as important federal funds, if this project and others similarly situated could be identified more specifically.

Another example of one of the projects that has raised concerns is one for the Oklahoma Childhood Poisoning Prevention Program (Lead Program). CDC informed the program area that they would be required to move to a case management software system or lose their funding of $200,000 per year. OSDH proceeded without planning for revenue sources to fund this project at a cost of $382,000—it was never attached to a funding source. OSDH is also now going to be charged $4,400 per month or $52,800 per year for "maintenance" charges.

These projects continually move forward without the necessary funding identified upfront and the continual usage of ratification agreements for work that is commenced prior to purchase orders with no clear communication of on-going maintenance costs and poor identification of project goals and specific deliverables which would allow for identification of assets acquired by the agency. There should be a clearer separation of duties in the matching of federal cash assets for IT assets acquired.

Additionally, pursuant to the internal memos from the OMES personnel which were utilized as the basis for the January 23rd Memo, it is not within the purview of the OMES budget employees to continually attempt to limit the expenditure of the supplemental appropriation as well as to suggest that "legal counsel examine intra-fund loans" for repayment before the supplemental funds may be utilized. It was Julie Cox-Kain, who from very early in the ICS platform, had instructed me and various finance staff that OSDH could "forgive itself" for fund transfers without understanding the agency was utilizing funds that it did not possess because they were unidentified within the OMES system (much like the current remarks of the OMES staff). If the supplemental appropriation was valid and legally enacted by the Legislature and signed into law for the purposes set forth (i.e. years of over-expenditure, payroll not posted, internally unclosed booking periods and cash flow shortage) then the OSDH needs to use those funds for their restorative purposes. Restrictions like those above would have been better placed upon the agency prior to the allowance of the casual adjustment made for funds received from TSET.

Duplication of effort or other time consuming measures that are extraordinarily cumbersome and not entirely solutions-oriented will not serve toward the ends which I know we all seek to achieve. For the foregoing reasons, a substantial bit of honest and open discussion will be required to address the issues related to the problems with the state's accounting system of record, the responsibility for the new accounting system needed at the OSDH and where the lapses have occurred in the identification of the relevant problems. While I admire all of the dedication in furthering certain initiatives which are intended to move us forward in the corrective measures, a scan of the entire landscape would be more warranted at this time.

The OSDH must first expend the lawfully enacted supplemental appropriation to correct its cash shortage, then corral and address runaway costs in its zero-based budget initiative. Federal funds are already being specifically identified and properly protected through the use of the OSDH Daily Cash Report.

OSDH CONSERVATIVE IT EXPENDITURE ANALYSIS BY YEAR

Fund	SFY 2012	SFY 2013	SFY 2014	SFY 2015	SFY 2016	SFY 2017	SFY 2018 Projected	Total Expenditure Amount Since 2012
Federal Funds	7,166,602.00	6,400,815.02	7,605,333.18	5,117,978.26	7,012,321.14	9,393,141.23	8,202,731.19	43,732,320.02
Revolving	1,347,082.00	4,899,183.14	2,732,428.22	2,029,467.32	3,171,166.58	3,237,838.76	3,204,502.67	19,274,586.69
State Appropriated	2,725,350.00	2,420,483.02	2,190,072.56	1,448,823.00	2,523,602.00	2,925,128.97	2,724,365.49	14,232,475.04
Posted IT Expense	11,239,034.00	13,720,481.18	12,527,833.96	8,596,268.58	12,707,089.72	15,556,108.96	14,131,599.34	77,239,381.74
Unposted Data Cost				4,038,509.77		224,638.92	609,374.88	4,872,523.57
Total IT Expense	11,239,034.00	13,720,481.18	12,527,833.96	12,634,778.35	12,707,089.72	15,780,747.88	14,740,974.22	**82,111,905.31**

Note:

Projected Cost for SFY 2018 is based on the average of SFY 2016 - 2017 (unposted data cost already exists).

List of Funds for OMES SETVP

400AP	PREVENTIVE BLOCK
400AR	MCHS BLOCK GRANT
400B2	CD PREV & HLTH PROMO
400B4	EARLY HEARING DETECT
400B5	VIOLENT DEATH REPORT
400B7	DIABETES, HDIS, OBES
400B8	CBFRS
400BA	TUBERCULOSIS ELIM
400BB	VIOLENCE & INJURY PR
400BF	PRIMARY CARE
400BH	ZIKA VIRUS (SC&SP SV
400BI	BREAST/CERVICAL CANC
400BL	AIDS SURV & SERO
400BM	CLIA
400BN	RAPE PREV & EDUC
400BP	ENSURING QUITLNE CAP
400BQ	TELC NON-PPHF
400BR	HEPATITIS B&C SURV
400BU	ADLT VIRAL HEPATITIS
400BX	ST SYS DEV INITIATIV
400C1	HOSPICE IMPACT
400C3	SCHOOL BASED SURVEIL
400C5	BRFSS
400C7	NEWBORN HEARING SCR
400C8	EARLY CHILDHOOD COMP
400CA	DRUG OVERDOSE PREV
400CB	PRAMS
400CC	PERSONAL RESP EDUC
400CD	IMMUNIZATION
400CF	PH PHEP II
400CG	SEXUALLY TRANS DIS
400CH	MEDICARE,XVIII
400CI	HPP EBOLA SUPP
400CL	ELC EBOLA SUPP
400CM	FAMILY PLANNING
400CN	BIRTH DEFECTS SURV
400CO	PHEP ZIKA
400CP	RYAN WHITE CARE
400CR	OKLAHOMA ACTIONS
400CS	SCHOOL HEALTH
400CT	AIDS PREVENTION
400CU	BT HOSPITAL PREPARED
400CV	PROJECT LAUNCH
400CW	PHEP EBOLA LARGE
400CX	CHILD LEAD POISONING
400CY	ABSTINENCE EDUCATION
400DG	ACA EPI & LAB CAPACI
400DH	EARLY CHILD HOME VIS

List of Funds for OMES SETUP

400DI	MEICHV INNOV GRANT
400DJ	IMMUNIZATION PPHF
400DK	MIECHV OKC,TULSA,etc
400DO	OPIOID MORTALITY
400DQ	EBOLA LAB CAPACITY
400EA	WIC ADMINISTRATION
400EF	WIC FOOD
400EM	BF-PEER COUNSELING
400JD	DHS-WARMLINE
400JF	IMMUNIZATION/MEDICAR
400JJ	COLO U NEWSTEPS 360
400JL	SITE SPEC OTTAWA LEA
400JM	CHILD MENTAL HEALTH

List of Funds for OMES set-up

210G2	LAB MEDICAID
210GT	EARLY INTER MEDICAID
210HA	INDIRECT COSTS
210HJ	AGENCY INITIATIVES
210TD	FITNESSGRAM
210TE	BCBS FITNESSGRAM
210TF	VITAL RECORDS
210TG	PUB HLTH SPEC-DATA"
210TH	DOCUCENTER
210V5	TUBERCULOSIS OCCHD
210VC	CHOICES GRANT
210VL	TSET WELLNESS
210VT	BRFSS INT SERV REIM
210WA	TATTOO & BODY PIERCE
210WC	PHTF-FOOD & LODGING
210WD	MICROPIGMENTATION
210WH	CPS - POOL FEES
210WL	LICENSURE HEALTH FAC
210WP	EMS TESTING FEES
210WT	OLS - REG SANITARIAN
210WV	HOSPICE
210YC	FAMILY PLANNING FEES
210YJ	IMMUN FEES/DONATIONS
210YP	METABOLIC SCREEN LAB
210YT	OUHSC-HCV Cherokee N
210ZN	LOCAL MILLAGE REIMB

Michael J Romero 8-4 EMAIL

From: Jill Geiger <Jill.Geiger@omes.ok.gov>
Sent: Friday, August 04, 2017 5:38 PM
To: Ashley Neel
Cc: Scanlan, Felesha F.; Cox-Kain, Julie; Jennifer Treadwell; Romero, Michael J.
Subject: Re: Reverse Cash Transfer

Thank you for your quick work, Ashley!

Sent from my iPhone

> On Aug 4, 2017, at 4:43 PM, Ashley Neel <Ashley.Neel@omes.ok.gov> wrote:
>
> Good Afternoon,
>
> The temp allotments for TSET and the Health Department are both in place. Jennifer said that she will cut the check on Monday, and the Health Department can spend against it immediately once it is received. We can work on formal revisions in the coming weeks. If there are any questions or issues, please feel free to give me a call. Thank you.
>
> Sincerely,
> Ashley
>
> Sent from my iPhone
>
>> On Aug 4, 2017, at 12:50 PM, Scanlan, Felesha F. <FeleshaS@health.ok.gov> wrote:
>>
>> Jill,
>>
>> In calendar year 2011, OSDH transferred funds to TSET to initiate the Certified Healthy Grant program. After discussions with TSET, the OSDH is requesting a reverse cash transfer in the amount of $3 million dollars from TSET back to the OSDH. If possible, we would ask the transfer to expedited as quickly as possible. I understand the funds are not currently reflected in the SFY-18 TSET budget but are located within TSET's 400 cash balance. I have attached the PO which will assist you in identifying the original transaction.
>>
>> Ashley,
>>
>> As we discussed on the phone, if you could grant us an increase in temporary budget/allotment as listed below, the OSDH budget office will also follow up with an official budget revision request next week.
>>
>> Class Fund Division Category
>> 400 75 Payroll
>>
>> If any of you need further information or have questions, please do not hesitate to give me a call at 271-4200. Again, I want to thank you all for your willingness and assistance to assist our agency in this process.
>>
>> Thank you all!
>>
>> Felesha Scanlan, Business Planning Director Office of the Deputy
>> Secretary for HHS/ Senior Deputy Commissioner Oklahoma State

1-2 Email

Michael J Romero

From: Tanner Hughes
Sent: Tuesday, January 02, 2018 12:09 PM
To: Kim Bailey; Michael J Romero; Sarjoo Shah; Becki Moore
Subject: Microsoft dynamics

Hey all, I wanted to share the information I have on the Microsoft Dynamics engagements we have had so far so Kim has some information around it.

In August last year, OSDH and OMES engaged with Microsoft to look at the Dynamics platform to replace the fiscal mainframe application at health. After the demo we wanted to get a closer look at what the cost would be to replace the system. Using Microsoft Professional Services we sat down with the Microsoft team and the scoped out everything that we do today and what we would need to move to the dynamics platform. From this they provided the list below of deliverables and a verbal estimate.

On October 31st Deborah, Mike, Becki, Sarjoo and I were going to sit down and decide if we were going to move forward with dynamics based on this estimate. October 31st was also Preston's first day in the wake of Commissioner Cline and others who left the agency. We decided collectively to postpone any decisions until after the first of the new year. I have added Kim to the invite for Thursday.

Below you will find all the information about pricing from Microsoft. I still have my team gathering information about OMES integration costs. The OMES cost will differentiate based on some decisions that come out of Thursdays meeting, Like, Will we need any Data from previous systems or will we start fresh? How many years? Answers like these need to be determined if we are interested with the Dynamics platform before we can provide a ballpark estimate.

Remember when looking at these dates, these were provided in late October

IMPLEMENTATION COSTS

-
- 2.65 Million over a 52 week engagement.
- Contracts completed by February 1.
- February to end of Fiscal year = 1 Million Dollars.
- Remaining schedule 1.65 million dollars. (Can do 1 or 2 SOWs (fiscal year))
- Time and Material SOW

IMPLEMENTATION SCOPE

In Scope
- General Ledger
  - Accounts Payable
  - Accounts Receivable
  - Financial Dimensions

Assumptions
- Replacement of FISCAL system - Current IBM Mainframe system
- No data migration is included
- Leverage standard Dynamics processes

Michael J Romero 1-29 Gmail

From: Tanner Hughes
Sent: Monday, January 29, 2018 11:01 AM
To: Fred Cantrell
Cc: Michael J Romero; Kim Bailey; Becki Moore; Johnny Burks; Sarjoo Shah; Duane Smith
Subject: Gap analysis for Health to get on Peoplesoft financials

Good morning Fred,

Recently I have asked Johnny to poll you and your group to see if we can identify why the Peoplesoft implementation for health failed 5 years ago. We have also polled the OSDH financial and procurement offices for the same type of information. We received a lot of information from a long time ago and we really appreciate that. Unfortunately there wasn't enough information gathered to deduce a gap analysis to why exactly it wouldn't work in the past. Therefore, we need to perform a gap analysis now. This is an initiative requested from Bo.

Can you lead this initiative? We will need to look at this with a refreshed perspective of using the newest version of Peoplesoft Financials and with Health open to malleable business processes.

If you're not the right person, Can you point me to who is?

Respectfully,

Tanner Hughes |IT Strategist @ Department of Health and Athletic Commission
Information Services | OMES
c. 405-416-3033 |OMES.ok.gov

Please submit all issues and requests to the OMES Service Desk.
If you need to submit a service ticket, you may send an email to servicedesk@omes.ok.gov or call 405-521-2444 or toll free at 866-521-2444.

PROJECT "KICKOFF"
PAGE 3

PRESTON DOERFLINGER
SECRETARY OF FINANCE AND REVENUE
DIRECTOR OF STATE FINANCE

MARY FALLIN
GOVERNOR

STATE OF OKLAHOMA

OFFICE OF MANAGEMENT AND ENTERPRISE SERVICES

January 11, 2017

CedarBridge Group LLC
515 NW Saltzman Road #661
Portland, OR 97229
Attn: Betsy Boyd-Flynn
Email: betsy@cedarbridgegroup.com

RE: Solicitation 3400001540 – Custom Computer Programming

To whom it may concern:

We are pleased to announce the State of Oklahoma and the Office of Management and Enterprise Services (OMES), on behalf of the Oklahoma State Department of Health's intent to accept your offer for solicitation 3400001540 – Custom Computer Programming.
This award is on an as needed basis and quantities are not guaranteed.

Please feel free to reach out to myself or the Oklahoma State Department of Health contact Patricia Bagwell, 405-271-4043 email: PatriciaB@health.ok.gov should you have any questions or concerns.

Thank you for your continued support of the State of Oklahoma.

Darlene F. Saltzman
OMES Procurement Specialist - CPO
Darlene.saltzman@omes.ok.gov

cc:
Patricia Bagwell
Purchasing Services
Oklahoma State Department of Health
PatriciaB@health.ok.gov

(1)

CONTRACT

State of Oklahoma

Dispatch via Print

Contract ID			Page
00000000000000000000005092			1 of 2
Contract Dates	**Currency**	**Rate Type**	**Rate Date**
01/11/2018 to 01/10/2024	USD	CRRNT	PO Date
Description:		**Contract Maximum**	
Custom Computer Prog. Req19072		0.00	
Allow Open Item Reference			
TYPE: AGENCY(S) - 34000			

Supplier 0000455077
CEDARBRIDGE GROUP LLC
1655 NW 130TH AVE
PORTLAND OR 97229
USA

Tax Exempt? Y Tax Exempt ID:736017987

Contract Lines:

Line #	Cat CD / Item ID / Item Desc	UOM	Minimum Order Qty	Minimum Order Amt	Maximum / Open Qty	Maximum / Open Amt
1	81111505 / CUSTOM COMPUTER PROGRAMING SERVICES Technical assistance and consultation to support statewide health information interoperability including environmental scan, strategic roadmap, and successful development and submission of a CMS Advanced Planning Document. Funded through HIT IAPDU from CMS.	EA	1.00	0.00	0.00	0.00
	Contract Base Pricing 318,750.00000	EA			0001	

COMMENTS:

Contract Period:1/11/2018-1/10/2019.
There shall be 5 options to renew. Agreement Period: 1/11/18-1/10/2024

See attached specifications.

Contract Monitor: Becky Moore, (405) 271-3751 x 55690
Contract Administrator: Patricia Bagwell (405) 271-4043 X56354

The State of Oklahoma will use best value criteria in accordance with Oklahoma Statue Title 74, Section 85 in evaluation of bids.

Bids deemed responsive shall be evaluated utilizing best value criteria in accordance with Oklahoma Statute Title 74, Section 85. Best Value means an acquisition based on criteria which may include, but are not limited to those specified below:

Items should be quoted on an annual rate basis.

Bid must be completed as requested. Bidder information such as FEI #, Company Name, and Address needs to be completed on the first page of the bid sheet. Failure to supply this information and to complete bid as requested may result in bid being deemed as non-responsive.

This solicitation, along with resultant Purchase Order, constitutes the entire agreement. No additional agreements will be signed.

The Office of Management and Enterprise Services, on behalf of the Oklahoma State Department of Health (OSDH) will be issuing an RFP to solicit proposals for a Supplier to provide technical support for separate but linked services surrounding statewide interoperability planning and development of Centers for Medicare and Medicaid Services (CMS) Health Information Exchange Implementation Advanced Planning Document (HIE IAPD). Health Information Technology for Economic and Clinical Health Act (HITECH) 90/10 planning dollars have been solicited for this work within the updated Oklahoma Health Information Technology IAPD (HIT IAPD) funded on April 6, 2017.
This awarded Purchase Order resulting from Solicitation 3400001540
This resulting Contract awarded best value.

Supplier contact: Betsy Boyd-Flynn
Phone: (503) 956-3308
E-mail: betsy@cedarbridgegroup.com

Initial contract period: 1/11/2018-1/10/2019

The maximum total of this contract is $500,000.00. Payments will be made based on final and approved deliverables. Final payment will be paid upon submission and acceptance by CMS of the HIE IAPD.

COST:

Final = The price is final after adjustments
Hard = Apply adjustments regardless of other adjustments
Skip = Skip adjustments if any other adjustments have been applied

Authorized Signature

CONTRACT

State of Oklahoma

Dispatch via Print

Contract ID			Page
0000000000000000000005092			2 of 2
Contract Dates	**Currency**	**Rate Type**	**Rate Date**
01/11/2018 to 01/10/2024	USD	CRRNT	PO Date
Description:		**Contract Maximum**	
Custom Computer Prog. Req19072		0.00	
Allow Open Item Reference			
TYPE: AGENCY(S) - 34000			

Supplier 0000455077
CEDARBRIDGE GROUP LLC
1655 NW 130TH AVE
PORTLAND OR 97229
USA

Tax Exempt? Y Tax Exempt ID 736017987

Deliverable 1 (10%) $31,875
Project Kickoff Meeting
Deliverable 2 (20%) $63,750
Project Charter and Plan
Deliverable 3 (40%) $127,500
Statewide Interoperability Roadmap
Deliverable 4 (30%) $95,625
IAPD Document
TOTAL COST $318,750.00

Agreement Period: 1/11/2018-1/10/2024

Agency Contacts:
Contract Monitor: Becky Moore, (405) 271-3751 x 55690
Contract Administrator: Patricia Bagwell (405) 271-4043 X56354

3

Final = The price is final after adjustments
Hard = Apply adjustments regardless of other adjustments
Skip = Skip adjustments if any other adjustments have been applied

Authorized Signature

State of Oklahoma

Orion Health Professional Services
Meaningful Use Development Extension 2018

Statement of Work #
Solicitation #

SEE ALSO
2012 - 2013 Procurement
File in excess
of 6,000 pp.

Document Control

Copyright © 2017 Orion Health™ group of companies | All rights reserved

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without the prior permission of Orion Health Ltd.

This document is the property of Orion Health Ltd. and may not be disclosed to a third party, other than to any wholly owned subsidiary of Orion Health Ltd., or copied without consent.

Orion Health consents to Customer reproducting, storing and disclosing this SOW as part of Customer's normal business operations.

Document History

Version	Date	Author(s)	Comment
0.1	10/4/2017	Matt Nickel	Initial document
0.2	12/7/2017	Matt Nickel	Scope Edits
0.3	12/12/2017	Matt Nickel	Date Edits
0.4	12/17/2017	Dorsey Stone	Formatting edits
1.0	1/11/2018	Matt Nickel	Prep for execution

1. Executive Summary

This Statement of Work ("SOW") is made part of, and incorporated into the Oklahoma statewide Contract numbered ITSW1018, dated September 30, 2014, and is entered into and made effective as of the last date executed (the "SOW Effective Date") by and between Oklahoma State Department of Health ("OSDH" or "Customer") and Orion Health Inc., a Delaware corporation ("Orion" or "Orion Health") (together, the "Parties"). To the extent that there is any inconsistency between this SOW and the Contract, the SOW shall govern. Capitalized terms shall have the meanings given in the Contract unless otherwise defined herein.

This Statement of Work is for a bucket of 3,500 hours to continue development on Meaningful Use (MU) infrastructure projects for OSDH, between January 2018 and September 2018, for a total cost of $682,500. Orion Health implementation resources will be provided to Customer for the purposes of solution architecture and design, and knowledge transfer to OSDH resources. A project management resource will coordinate services delivery. Customer will be responsible for the payment of the actual hours incurred and OSDH will be invoiced as hours are incurred, monthly in arrears. In the event the total number of hours required to complete development of the scoped projects will exceed 3,500 hours, Orion Health will submit a change request to Customer for all hours in excess of the estimate in advance of performing any additional work. In the event Customer does not elect to move forward with the change request, Orion Health will not be responsible to perform additional work under this Statement of Work.

2. Scope of Work

Orion Health will provide Professional Services implementation resources to work with OSDH in an Agile project to develop, design, and build architecture for MU projects. OSDH will direct the activities of the Orion resources to build out architecture on the OSDH Enterprise Rhapsody instance and other OSDH environments.

MU projects tentatively identified for the 2018-2019 federal fiscal year term are:

- Immunizations Registry
- Electronic Lab Reporting (ELR)
- Cancer Registry, and
- Oklahoma Child and Adolescent Record (CAR)

Integration between OSDH's 20 source systems and Orion Health Amadeus

- Including:
  - Document storage in Orion Health Clinical and Custom Data Spaces
  - Semantic interoperability
  - Health Portal (Orion Health Clinical Portal) buildout
- Orion Health will complete ongoing integration with individual systems and initiate integration with the remaining of the twenty systems at OSDH's direction.
- Exchange Gateway
  - Sequoia eHealth Exchange with other HIEs
- Custom Portal with user interface for uploading batch data to MPI
- NextGate Product Implementations
  - Provider Index/Registry
  - Relationship Registry

3. Customer Responsibilities

Customer agrees to be responsible for:

- Providing a Project Manager to lead and manage the Customer's responsibilities for this SOW
- Assigning and managing all Customer staff (including management of non-Orion vendors or contractors)
- Attending calls or meetings related to the scope of this SOW
- Timely response to the Orion Health project team when requested
- Developing and overall management of the project plan and
- Lead and conduct all internal testing efforts (Unit, Integration, etc.)

4. Orion Responsibilities

Orion Health will:

- Provide necessary resources for the purposes described in Section 2 above, as requested by Customer
- Provide a Project Manager to lead and coordinate Services
- Assign and manage any other Orion staff needed
- Attend calls or meetings related to the scope of this SOW with timely follow up on action items

5. Assumptions

The parties understand that if any of the following assumptions prove to be incorrect or if Customer does not fulfill any Customer Responsibilities set forth above, then the Change Request process may be initiated in order to adjust the scope and/or pricing hereunder, if applicable.

The following assumptions have been made:

1. This SOW is based on an average 4-hour working day (50 percent allocation), but the resources, in agreement with OSDH, may move these hours within the core hours of 0700 and 1900 CT (inclusive of travel time to OSDH facilities) to accommodate OSDH and personal requirements. This will ensure greatest flexibility for Orion Health to cover extended business hours. OSDH will not unreasonably withhold such agreement.
2. In the event that one or more of the resources provided under this Statement of Work becomes unavailable, either due to vacation, illness, a change in employment or similar circumstance, Orion Health will use reasonable endeavors to quickly provide a suitably skilled and qualified replacement resource if required by OSDH.
3. None of the resources provided under this Statement of Work shall be designated "Key Personnel" (or similar). Orion Health will provide OSDH 30-working days' written notice of planned changes in personnel, defined as transfers to other areas within Orion Health, and will only make a planned change to each resource at a maximum frequency of once per calendar year unless by express permission of OSDH.
4. For the avoidance of doubt, none of the work performed by the Orion Health resources as part of the Statement of Work shall constitute a transferal of customer responsibilities – as set out in the existing Agreement or previous Change Requests – to Orion Health.
5. Work will be undertaken remotely by the Orion Health resources. Travel to OSDH offices is not included, unless specified in writing, in advance.

6. Governance

Customer and Orion Health will establish a regular Project review cadence and Orion Health personnel will attend, where requested.

7. User Acceptance Criteria

OSDH will be responsible for planning and conducting all UAT activities.

8. Fees

Orion Health will perform these Services requested by Customer and described in this SOW on a Time and Materials Fee basis estimated at 3,500 hours. Orion Health will notify Customer if the work effort is expected to exceed 3,500 hours. Customer will have the right to refuse additional hours beyond 3,500, but this is a Time and Materials agreement and there is no guarantee of completion of the deliverables in the scope of work within the estimated hours.

Task	Total
Meaningful Use Infrastructure Development (2,800 hrs)	$546,000
Project Management (700 hrs)	$136,500

Orion Health will invoice the Customer for hours incurred, monthly in arrears. The average hourly rate for this SOW is $195.

9. Travel and Expenses

The team will work predominately off-site at Orion Health's facilities, but are available to be on-site during those project phases where it is agreed that assistance is necessary. On-site travel costs will be deducted from this allotment of hours, as mutually agreed to by Orion Health and OSDH.

Approval

Statement of Work authorized by:

Customer	**Orion Health Inc.**
_____	Sean Donoghue
Name	Name
_____	SVP, Operations
Title	Title
_____	
Signature	Signature
_____	January 17, 2018
Date	Date

ORIGN

PRODUCT SCAN COVER PAGE / AUDIT CHECKLIST

○ HOTSHEET

OSDH Buyer: AHILLEMEYER

DOC TYPE

◉ REQUISITION ○ PURCHASE ORDER ○ REVISED PO ○ PO SUPPORT DOCS

○ SOLE SOURCE ⊙ VPAT ○ BID FILE ○ OTHER / MISC

REQUISITION #: 3400014988 PO #:

VENDOR NAME UNKNOWN VENDOR PS

PROGRAM AREA: ADMIN - HEALTH CARE IN Funds Expiration: 6/30/2012

AUDIT CHECKLIST

DATE: 2/1/2012

AUDITED BY: SUSAN DATE REQ. REC'D 2/1/2012

REQ AMOUNT $3,700,000.00 SALES TAX PERMIT ○ DEBARMENT

SUGGESTED CIC ☑ FUND SHEET ATTACH and EQUAL TO REQ. AMOUNT

SIGNATURES:

to Ray 2/1/12

☑ SIGNATURE AUTHORITY, IF NEEDE

☐ UP TO 10,000 - SERVICE CHIEF

☑ OVER 10,000 - SERVICE CHIEF and DEPUTY COMMISSIONER

ATTACHEMENTS

☐ DETAILED SPECIFICATIONS

☑ IT APPROVAL (IT requisitions ONLY - Hardward, Software Service

☑ AGENCY AQUISITION FORM-OSF 115 required for IT purchases over $25k and ALL Telecomunications Purchases

☐ SOLE SOURCE/BRAND AFFIDAVIT (IF Applicable

☐ COMPLETED PAYEE FORM (new vendor only

☐ PRINTING - DOCUTECH WAIVER

☐ Other Attachments

ORION

FY12 FUNDING SHEET

DATE	REQ #	CICS	PO #	CHANGE ORDER #	BUDGET ANALYST
1/31/2012	3400014988				DENNIS

PROGRAM: HCIC

VENDOR FEI #: 000-00-0174

VENDOR: VENDOR UNKNOWN

FUND	ACCOUNT	SUB-ACT	OBJ CODE	AMOUNT	CFDA#:
400EK22	001275VB79	88419	515360	$200,000.00	
210TFX3	001385CW0A	88605	515360	$3,500,000.00	
				$0.00	
				$0.00	

WIC ^ infrastructure funds

VITAL RECORDS funds

PEOPLESOFT FUNDING / CICS QTR AMTS

GL	ACCT	FUND	CLASS	DEPT	BREF	CFDA	AMOUNT	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
34000	515360	1000	40000	7588419	12		$200,000.00	$0.00	$0.00	$200,000.00	$0.00	$200,000.00
34000	515360	1000	21000	8588605	13		$3,500,000.00	$3,500,000.00	$0.00	$0.00	$0.00	3,500,000.00
34000		1000					$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
34000		1000					$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

BUDGET LINE ITEM: CONTRACTUAL

MISC

RETURN TO MENU

CONTRACT PERIOD

AGREEMENT PERIOD

FUNDED BY: DENNIS

NEW RECORD

TOTAL: $3,700,000.00

PRINT AND GO TO NEXT RECORD

PROCUREMENT
2012 JAN 31 P 4:57

ORION

Requisition

Business Unit:	34000	OPEN
Req ID:	Date	Page
3400014988	12/30/2011	1
Requester		Currency
Toni Nail		USD
Requester Signature		

Ship To: OKLAHOMA STATE DEPT OF HEALTH
SHIPPING & RECEIVING
1000 NE 10TH ST
OKLAHOMA CITY OK 731171299
USA

Line-Schd	Cat CD / Item-Desc	Sole Source	Agcy Req #	Quantity	UOM	Price	Due Date
1-1				1.0000	EA	3,700,000.0000	

81111702 / 1000003844
SOFTWARE:System Software
To prepare for participating with health information exchange activities and to improve the quality of data available to support decisions about improving the health of Oklahomans, the Oklahoma State Department of Health (OSDH) is requesting proposals from qualified vendors for planning, installation, testing, training, implementation, and maintenance of a system to enhance existing data systems by providing the ability to integrate data. It is the vision of the OSDH that the system, Interoperable Public Health Information System (IPHIS), will include an enterprise-level Master Patient Index (eMPI) system to provide data cleaning, transformation, and matching services to establish a unique person, provider, and entity identifier among clinical and analytical data systems; a clinical data repository (CDR) containing data integrated into a person-centric clinical document across existing data systems; and a system capable of interoperability for connecting components with nationally standard interfaces, messaging included but not limited to HL7, and interacting with messaging interfaces as needed. Message interfaces will include but not be limited to NHIN DIRECT/CONNECT gateway and webs services.
OSDH expects the awarded Supplier to provide a complete system to meet these project needs. OSDH needs an eMPI for the purposes of identifying unique patients, providers, and entities within existing data systems, matching among existing data systems, and assigning existing or new identifiers as new data are received into current data systems or for the purpose of information exchange, reporting, and analysis. The CDR is needed to integrate clinical data for the purposes of health information exchange, reporting, and analysis. An integration hub/engine to promote interoperability is needed to address the numerous requirements and needs for exchanging health information among internal systems and external systems. (The two sections highlighted are duplicative. They need to be integrated to a single section.)The objective of this proposal is to contract with a software services system integrator to provide software and services to ensure OSDH has the capability to enhance existing data systems by including unique entity identifiers, share information among data systems through the use of the unique identifiers, integrate and maintain clinical information from various sources, and exchange information to meet internal and external needs. The needs for exchanging information are identified by the Centers for Medicaid and Medicare Services (CMS)1 meaningful use requirements (just insert a hyperlink to the relevant document(s), or your can create an appendix with the references), partners and stakeholders such as Regional Health Information Organizations (RHIOs) including one Beacon Community-grant2 recipient; the goals of health information exchange among state agencies as defined by the Oklahoma Health Information Infrastructure Advisory Board (HIIAB)3, and the goals for statewide health information exchange promoted by the Oklahoma Health Information Exchange Trust (OHIET)4. Proposals will include all costs for software, hardware, meetings, training, technical support, pre-implementation planning, configuration, customization, ongoing additions, and modifications of the integration and interoperability system including the eMPI, CDR, and integration hub/engine. The proposal should include the system installation, standard operating procedure and web service interface documentation, development, and training as necessary to configure, test, pilot, implement, maintain and support the proposed system(s) and components. A single contract will be awarded as a result of this solicitation. Subcontracting and/or partnering is allowed and encouraged, but a single Supplier must be identified as the Prime Contractor. The Prime Contractor will be responsible for all deliverables and performance obligations, and is the sole entity to whom payments will be made.

The project will be organized into five Phases with each Phase consisting of multiple stages. The OSDH has defined these phases and stages based on OSDH priorities for integrating data and systems, and are not directly related to the three stages defined for Meaningful Use.

The OSDH will consider proposals where the components of the integration system are hosted within the vendor¿s network or within the OSDH¿s network. Proposals should clearly address any recommendations, variances, restrictions or cost differences within their proposal for vendor and OSDH hosted scenarios for the specified component. Vendors who wish to submit cost proposals for both onsite and offsite hosting of the integration system should submit complete, separate proposals, with each proposal clearly labeled.

RECEIVED
JAN 23 2012
Budget & Funding Service

Vendor:

Ln	Location	Amount	GL Unit	Account	Sub-Acct	Fund Type	Class Funding	Department	Bud. Ref
1	34000	3,700,000.000	34000	TBD					13

Ln	CFDA	Project	Operating Unit

Approval Signature	Approval Signature	Approval Signature
		1-19-12

Orion

Requisition

Business Unit:	34000	
Req ID:	Date	Page
3400014988	12/30/2011	1
Requester		Currency
Toni Nail		USD
Requester Signature		

Ship To: OKLAHOMA STATE DEPT OF HEALTH
SHIPPING & RECEIVING
1000 NE 10TH ST
OKLAHOMA CITY OK 731171299
USA

Line-Schd	Cat CD / Item-Desc	Sole Source	Agcy Req #	Quantity	UOM	Price	Due Date
1-1				1.0000	EA	3,700,000.0000	

81111702 / 1000003844
SOFTWARE:System Software
To prepare for participating with health information exchange activities and to improve the quality of data available to support decisions about improving the health of Oklahomans, the Oklahoma State Department of Health (OSDH) is requesting proposals from qualified vendors for planning, installation, testing, training, implementation, and maintenance of a system to enhance existing data systems by providing the ability to integrate data. It is the vision of the OSDH that the system, Interoperable Public Health Information System (IPHIS), will include an enterprise-level Master Patient Index (eMPI) system to provide data cleaning, transformation, and matching services to establish a unique person, provider, and entity identifier among clinical and analytical data systems; a clinical data repository (CDR) containing data integrated into a person-centric clinical document across existing data systems; and a system capable of interoperability for connecting components with nationally standard interfaces, messaging included but not limited to HL7, and interacting with messaging interfaces as needed. Message interfaces will include but not be limited to NHIN DIRECT/CONNECT gateway and web services. OSDH expects the awarded Supplier to provide a complete system to meet these project needs.

The initial contract period shall be for a period of one (1) year from the date of award. There shall be up to nine (9) options to renew, for a total agreement period of ten (10) years.

?? (A long cost to endure yet for OSDH)

Vendor:

Ln	Location	Amount	GL Unit	Account	Sub-Acct	Fund Type	Class Funding	Department	Bud. Ref
1	34000	200,000.000	34000	515360		1000	40000	7588419	12
2	34000	3,500,000.000	34000	TBD					13

Ln	CFDA	Project	Operating Unit
1			
2			

The State Official signing this requisition affirms any contract resulting from this request shall comply with the following:

A. No employee of the state agency is able and available to perform the services to be provided pursuant to the contract.

B. The state agency shall receive, review and accept a detailed work plan from the supplier for performance pursuant to the contract if requested by the State Purchasing Director.

C. The state agency has developed, and fully intends to implement, a written plan providing for the assignment of specific state agency personnel to:

1) Monitoring and auditing supplier performance,
2) The periodic review of interim reports, or other indications of performance, and
3) If requested by the State Purchasing Director, the ultimate utilization of the final product of the nonprofessional or professional services.

D. The work to be performed under the contract is necessary to the state agency's responsibilities, and there is statutory authority to enter into the contract.

E. The contract will not establish an employment relationship between the state or the state agency and any persons performing under the contract.

F. No current state employee will engage in the performance of the contract, unless specifically approved by the State Purchasing Director.

G. The purchase of the nonprofessional or professional services is justified, and

Approval Signature	Approval Signature	Approval Signature
Ashley J Hillemeyer		

Orion

OFFICE OF STATE FINANCE
AGENCY ACQUISITION REQUEST

This form is to be completed in conjunction with any Purchase Order/Requisition or P-Card Purchase.

Agency Number 340

Agency Contact Procurement Phone # 405-271-4043
Email procurement@health.ok.gov

All acquisitions must be included in the current Information Technology/Telecommunications Plan.
Identify by Operations or Project # 2012018, 2012019, 2012200
Identify by Division (if applicable) Agency Project/CFHS/WIC Infrastructure Grant
Category Number 11, 14, 16, 17

What is the use and purpose of this acquisition? Provide detailed justification outlining specifics of the acquisition to include what, where, when and who.

To prepare for participation with HIE activities and to improve the quality of data available to support decisions in improving the health of Oklahomans, the OSDH is requesting approval to move forward with the processing of an RFP for the planning, installation, testing, training, implementation, and maintenance of a system to enhance existing data systems. The Interoperable Public Health Information System (IPHIS), will include an enterprise-level Master Patient Index (eMPI), a clinical data repository (CDR) and a system capable of interoperability for connecting components with nationally standard interfaces, messaging, and interacting with messaging interfaces as needed.

Requisition/PO number (if applicable) 3400014988 Project cost: 3700000 — yr 1

Are Federal Funds being used for this project? If so, give percentage
Yes x No ____ 60 % — inaccurate as to 1st page will state revolving funds

Is this a P-Card Purchase Yes ____ No x

Is this acquisition compliant with the State of Oklahoma Information Technology Accessibility Standards, House Bill 2197? Yes x No ____

Does this request involve the purchase or lease of any custom developed or modified software? Yes x No ____
If Yes, pursuant to 62 34.31, do you have a copy of the Source Code or a Source Code Escrow Agreement? Yes x No ____

Is the acquisition a purchase X Lease ____ ?
Please check "X" in all areas that apply:

Hardware	x	Telecommunications	
Software	x	RFP/RFQ/ITB*	x
Services	x		

*If checked, attach a copy of specifications.

Agency	x	Attention	
Pickup		Phone#	405-271-4043
Central Services		Attention	

OSF Form 115 (2/10)

Orion

Requisition

Business Unit:	34000	
Req ID:	Date	Page
3400014988	12/30/2011	2
Requester		Currency
Toni Nail		USD
Requester Signature		

Ship To: OKLAHOMA STATE DEPT OF HEALTH
SHIPPING & RECEIVING
1000 NE 10TH ST
OKLAHOMA CITY OK 731171299
USA

Line-Schd	Cat CD / Item-Desc	Sole Source	Agcy Req #	Quantity	UOM	Price	Due Date

H. The contract contains provisions that are required by 74 O.S. Section 85.41.

NOTE:
This requisition for services, in accordance with 74 O.S. Section 85.4.E.1, must be signed by the Chief Administrative Officer of the State agency or the Chief Administrative Officer of the requisitioning unit.

PROGRAM CONTACT: REBECCA MOORE/HEALTH CARE INFORMATION/ (405) 271-6225

CONTRACT MONITOR: REBECCA MOORE

AGENCY CONTACT: PROCUREMENT (405) 271-4043.

FUNDING SOURCE: WIC 400EK22/001275VB79/88419 ($200,000 from WIC to be used first) and PUBLIC HEALTH SPECIAL REVOLVING FUND (210).

Total Requisition Amount: 3,700,000.00

Approval Signature	Approval Signature	Approval Signature

OPEN

Requisition

Business Unit:	34000	OPEN
Req ID:	Date	Page
3400014988	12/30/2011	2
Requester		Currency
Toni Nail		USD
Requester Signature		

Ship To: OKLAHOMA STATE DEPT OF HEALTH
SHIPPING & RECEIVING
1000 NE 10TH ST
OKLAHOMA CITY OK 731171299
USA

Line-Schd	Cat CD / Item-Desc	Sole Source	Agcy Req #	Quantity	UOM	Price	Due Date

PROGRAM CONTACT: REBECCA MOORE/HEALTH CARE INFORMATION/ (405) 271-6225

CONTRACT MONITOR: REBECCA MOORE

AGENCY CONTACT: PROCUREMENT (405) 271-4043.

FUNDING SOURCE: WIC 400EK22/001275VB79/88419 ($200,000 from WIC to be used first) and PUBLIC HEALTH SPECIAL REVOLVING FUND (210).

Total Requisition Amount: 3,700,000.00

1

Approval Signature	Approval Signature	Approval Signature

OSDH Incident Command Document showing Knowledge of problems for months.

INCIDENT BRIEFING (ICS 201)

1. Incident Name:	2. Date Prepared: (yyyy/mm/dd)	3. Time Prepared: (24 hrs)
2017/18 Budget Response	2017/7/25	1330

4. Map/Sketch &/or Description of Event (include sketch, if applicable, showing the total area of operations, the incident site/area, impacted and threatened areas, overflight results, trajectories, impacted shorelines, or other graphics depicting situational status and resource assignment):

The agency is currently set to experience a substantial revenue shortfall as a result of multiple years of budget cuts and other funding reductions. It is necessary for agency leadership to identify gaps and resources needed to close out the State Fiscal Year (SFY) 2017 budget, and initiate activities designed to establish budgetary and program controls for SFY 2018 and beyond.

5. Situation Summary and Health and Safety Briefing (for briefings or transfer of command): Recognize potential incident Health and Safety Hazards and develop necessary measures (remove hazard, provide personal protective equipment, warn people of the hazard) to protect responders from those hazards.

Over the last several months, the agency has undertaken efforts to define the scope of the current projected budgetary shortfall. In addition, agency leadership has reviewed the causes of the shortfall and discussed the impact on operations if budgetary control efforts are not undertaken in the current SFY.

Knowledge for several months,

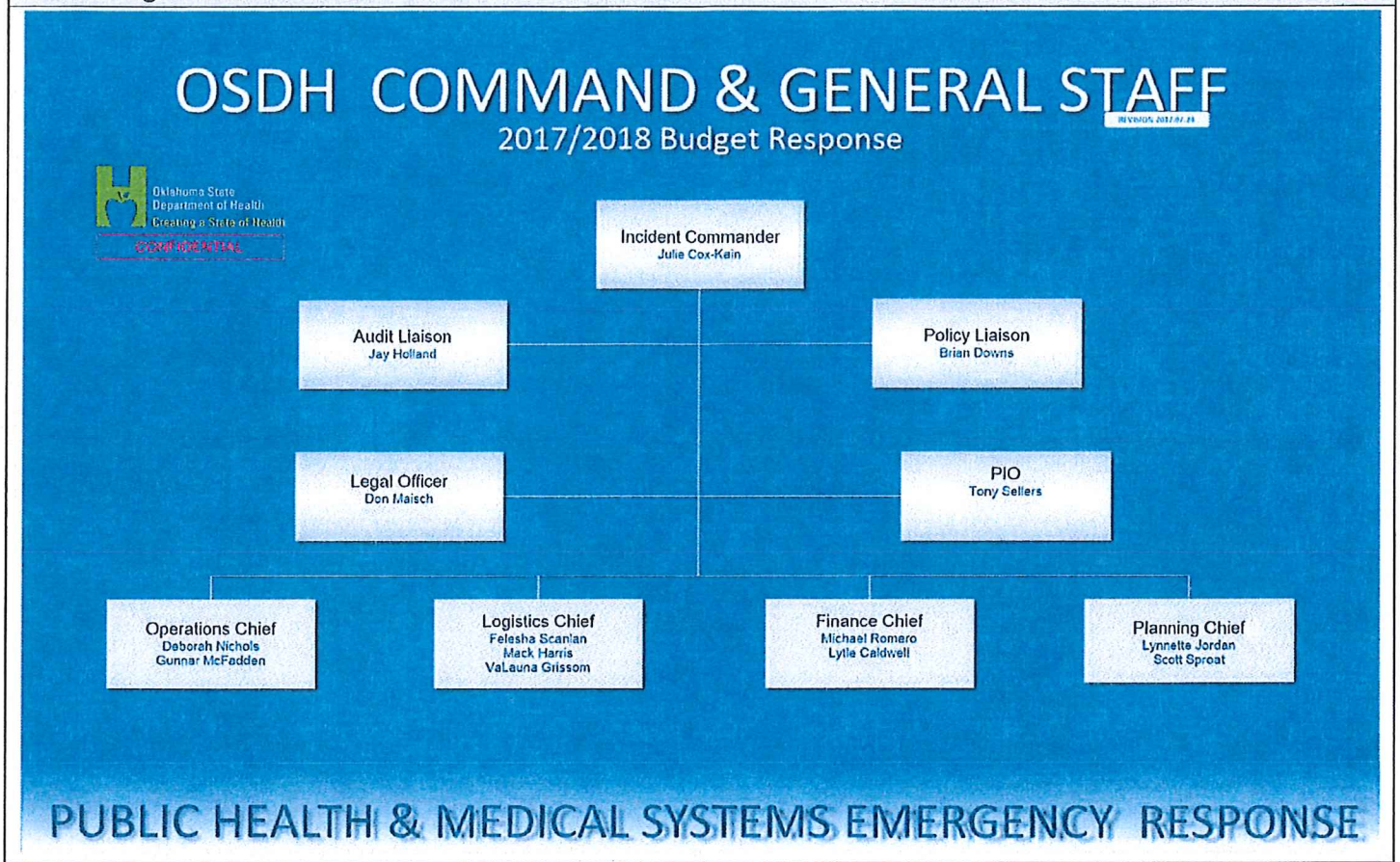
6. **Current & Planned Objectives:** (objectives should be "SMART" and identify what the purpose of the response is or should accomplish)	
1.	Identify resources necessary to closeout SFY 2017.
2.	Reduce SFY 18 budget to projected revenue.
3.	
4.	
5.	
6.	
7.	
8.	

were allotments reviewed w/ OMES in June or July of 2017?

7. Current and Planned Actions, Strategies, and Tactics: (link each "Task" to an identified objective# from above)

Obj#	Task#	Task Description:	Responsible Section/Unit:
1	1	Draft and distribute notice to agency staff regarding current budget situation and the agency's efforts to address it.	PIO
1	2	Review obligations and allotments to determine current cash status and identify options to alleviate current stress on cash and allotments.	Finance
1	3	Examine payroll not posted (PNP) to confirm level of current obligations (estimated at $9.5 million); identify programs those PNP costs need to move to.	Finance
1	4	Examine federal grant drawdown procedures and processes (in accordance with the CMIA) to identify opportunities for improvement and different options.	Finance
1	5	Examine outstanding Medicaid billings verses receipts to determine amount of potential ratification agreement with OHCA; identify reasons for rejected billing.	Finance
1	6	Establishment of a Time and Effort Program Code	Logistics
1	7	Expediting the upload of the SFY-18 budgets into fiscal (mainframe).	Logistics
1	8	Avenue to expedite launch of the OSDH Billing System	Logistics
2	1	Notify external agency regarding decision to discontinue support for one program	IC
2	2	Review SFY 17 cost overruns by program for comparison to SFY 18 budget.	Finance
2	3	Finalize and review SFY18 budget and apply projections to appropriate programs, eliminating non-program related budget.	Finance
2	4	Determine inefficiencies in administration and identify cost drivers.	Operations
2	5	Transfer of the share point site to the Planning Chief	Logistics

8. Organization Chart



9. Resource Summary:

Resource	Identifier	Date/ Time Ordered	ETA	Arrived	Notes (location/assignment/status)
N/A	N/A	N/A	N/A		N/A

Prepared by:	Approved by:	Date/Time:
Scott Sproat, Planning Deputy	Julie Cox-Kain, IC ☒**Check if via email**	2017 July 25/1330