

PERFORMANCE AUDIT

Work in progress: Audit description

One Washington: Ways to enhance the new financial system roll-out

Washington relies on a sprawling, complex network of financial management software tools and applications to conduct state business. State employees depend on the network to function smoothly whenever they pay the state's bills, manage contracts with vendors and ensure essential services are delivered to Washingtonians across the state.

Today, the state manages its finances using out-of-date technology and fragmented systems that no longer meet agency or state needs. These systems include about a dozen statewide applications, more than 100 state agency-managed applications, and multiple interfaces that connect the statewide and agency-managed systems. The limitations inherent in these systems have contributed to inconsistency, delays, complex work-arounds and duplicated solutions.

The One Washington program, established in 2019, aims to modernize the state's enterprise administrative functions, including finance, procurement, budget, human resources and payroll. Program leadership decided to transition from software operated on local computers to a cloud-based enterprise resource planning (ERP) system, selecting Workday as its vendor.

The first phase of the project will replace AFRS, the state's financial reporting system initially developed in the 1960s, by July 2025. Such transitions are intrinsically risky due to the number of systems and people involved. The accounting hub poses especially high risks because it handles agency bills, payments and other financial processes daily. Problems with the system could affect employee paychecks, access to needed supplies and resources, and legally mandated financial reporting. The current system interacts with many internal agency systems and will require extensive training for users.

Preliminary scope and objectives

Given these concerns, the State Auditor initiated an audit to identify risks before the system launches. We will review One Washington's implementation plan, risk management strategy and its plans to support state agency users during the transition to identify areas for improvement. It seeks to answer to the following questions:

1. How has One Washington planned to ensure that the state can produce accurate and reliable financial statements?
2. What support, including training, will One Washington put in place to help state agencies prepare for the transition to Workday?



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