

News Release

Board of Public Works Approves \$301 million in State Expenditures

Includes award for statewide fiscal management system modernization

ANNAPOLIS, Md. (December 4, 2024) — Comptroller **Brooke E. Lierman** today joined **Governor Wes Moore** and **Treasurer Dereck Davis** for a meeting of the Board of Public Works where they approved more than \$301 million in state contracts and expenditures. Among the approved contracts was a \$72.6 million contract with Guidehouse, Inc., to provide program management office support for the modernization of the state's financial systems. The current system, which is on a mainframe, is 30-years-old. The contract features 29% minority business enterprise and 3% veteran small business enterprise goals.

The Office of the Comptroller, State Treasurer's Office, Department of Budget Management, Department of Information Technology, and Department of General Services are partnering together to replace the existing Financial Management Information System (FMIS) and unanimously recommended awarding this contract to Guidehouse, Inc. Guidehouse, Inc., which has overseen similar transformations in federal and state agencies, will serve as a prime contractor for the first phase of the FMIS transition beginning in 2025. Comptroller Lierman also highlighted the work underway to launch the Maryland Accounting Academy, which will focus on providing agency personnel with the training needed to work in the new financial system and to enhance the culture of financial management across state government.

"Every single dollar that comes into the state and goes back out to taxpayers, vendors, and nonprofits is accounted for through FMIS. This is how we balance the books," Comptroller Lierman said. "It is critical to underscore this undertaking is about much, much more than transforming the mainframe technology system to the Cloud. It is also standardizing the financial processes and training personnel, which will ultimately impact every agency through state government and every Maryland taxpayer."

Under this contract, Guidehouse will provide the State with project management office or (PMO) services which include performing a statewide discovery of people, processes, and technology; delivering a roadmap to accomplish the transformation; developing a vision of future streamlined processes and technology; and assisting the State in the remaining project phases: procuring the new system software and implementor.

The proceeding phases of the FMIS modernization project will be competitively bid over the next fiscal years.

The Board of Public Works also approved an agenda item to create 10 new positions within the Office of the Comptroller to support the FMIS modernization effort and augment the accounting workforce to support the transition.

In all, the BPW approved 62 items, representing a total State expenditure of \$301,811,080.43. Agenda items approved include:

- One grant agreement for \$800,000 in Montgomery County
- Seven items awarding \$19,982,774.56 to prime certified small business primes
- Five items awarding \$18,544,253.04 to certified minority business enterprise primes
- Six items awarded with established participation goals for minority business enterprises
- Two items awarded with established participation goals for veteran-owned small business enterprises

The next meeting of the Board of Public Works is **Wednesday, December 18, 2024.**

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