



April 17, 2024
Study Scope

LUMA

Evaluation of the Selection, Planning, and Implementation of the Enterprise Resource Planning System

BACKGROUND

In February 2024, the Joint Legislative Oversight Committee directed the Office of Performance Evaluations to evaluate the implementation and management of the state’s new enterprise resource planning system, commonly known as Luma. Luma encompasses the statewide payroll, human resources, budgeting, finance, and procurement applications. Luma is under the authority of the Office of the State Controller as part of his duties to “prescribe and install, to modify from time to time, and to enforce, an accurate and modern system of accounting and financial reporting for the state of Idaho.”¹

The full suite of Luma applications went live on July 1, 2023. Since then, Legislators have received complaints from state agencies alleging that the system was plagued by inefficiencies, inaccuracies, and unnecessary complexities that required more resources to complete basic payroll, human resource, budgeting, finance, and procurement functions than the legacy systems.

SCOPE

Legislators wanted to know the answers to the following questions:

- 1. What was the State Controller’s Office’s approach, from initial concept to current implementation, for Luma?**

In answering this question, the study requestors asked for a robust description of the following items:

the RFP and vendor selection process

¹ Idaho Code § 67-1021.

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the contract negotiation and oversight process

the readiness of the system to go live, including consideration of running dual systems during implementation and development of a “Plan B”

the use of agency input

and end-user training, including on reporting functions and the creation of statewide reports

- 2. How has Luma affected the workload of state agencies?**
- 3. Are there ongoing system issues? How do these issues affect the ability of agencies to carry out their statutory responsibilities?**
- 4. What has been the financial impact of Luma?**

In answering this question, we will review the following:

the Business Infrastructure Information Fund and its uses

system and contractor costs

realized cost savings

As a statewide enterprise system, Luma affects all state agencies, state employees, and vendors seeking to do business with the state. We will provide recommendations to remedy ongoing issues and compile any lessons learned for future large-scale information technology projects.

PROJECTED COMPLETION DATE: OCTOBER 2024