
CALSTRS

Enterprise Technology Projects Fiscal Year 2012/2013 First Quarter Report

Enterprise Technology Projects

Fiscal Year 2012/2013 – First Quarter Report

The Enterprise Program Investment Council (EPIC) is responsible for governance of all enterprise technology projects which includes prioritizing, allocating resources and providing oversight of the \$18.5 million annual EPIC technology projects budget.

The Project Management Office (PMO) monitors and reports on the EPIC Technology Projects Budget and enterprise technology projects monthly to EPIC and quarterly to the Teachers' Retirement Board.

Enterprise Program Investment Council Members

Jack Ehnes
Chief Executive Officer

Robin Madsen
Chief Financial Officer

Peggy Plett
Deputy Chief Executive Officer
Benefits and Services

Ed Derman
Deputy Chief Executive Officer
Plan Design and Communication

Janice Hanson
Deputy Chief Executive Officer
Enterprise Initiatives and Technology

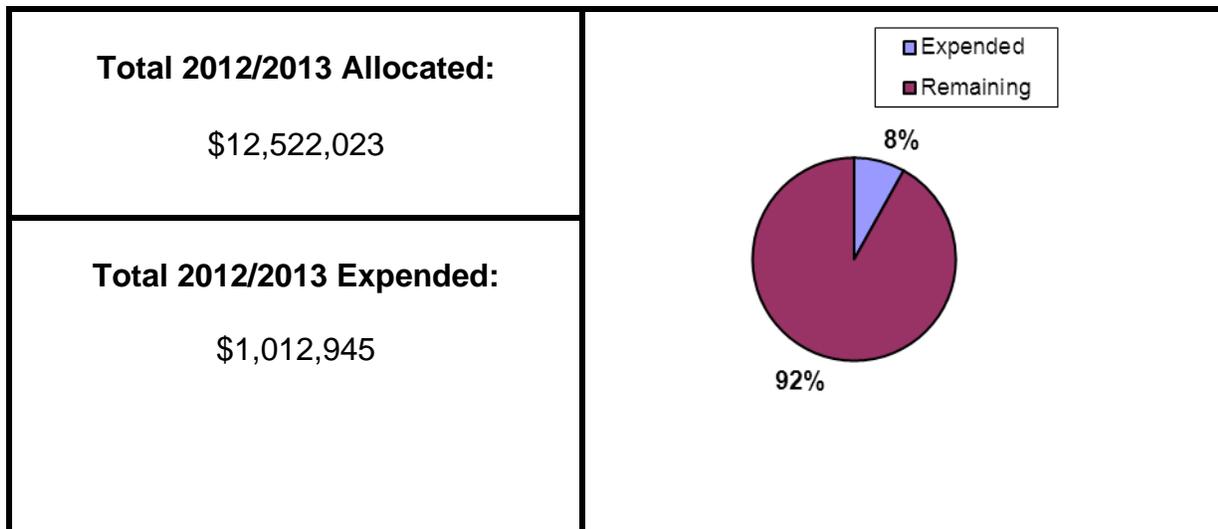
Ray Greenhouse
Chief Technology Officer

Brian Bartow
General Counsel

Cassandra Lichnock
Human Resources Executive Officer

Total Enterprise Technology Projects' 2012/2013 Budget: \$18.5 Million

As of September 30, 2012



Enterprise Technology Projects Fiscal Year 2012/2013 – First Quarter

Project Name	Duration	Project Total ¹	2012/2013 Budget	2012/2013 ² Budget	Schedule	Budget
Actuarial Valuation	Apr 08 – Aug 12	\$1,729,847	\$0	\$0	☺	☺
Actuarial Valuation Detailed Procedures Report	Jul 12 - Dec 12	181,000	181,000	\$0	●	●
Annual Update	Jul 12 – Jun 13	\$0	\$0	\$0	●	●
BusinessRenew						
Corporate Accounting & Resource Management ³	Jan 11 – Aug 13	\$19,061,641	\$2,875,000 ³	\$256,633 ³	⚠ ⁴	●
Data Preparation	Nov 11 – Jun 14	\$6,131,252	\$2,025,599	\$164,325	⚠ ⁵	●
Independent Project Oversight	Sep 11 – Oct 19	\$6,334,412	\$1,057,068	\$77,728	●	●
Pension Solution	Dec 10 – Jun 14	\$7,141,038 ⁶	\$3,147,631	\$245,312	●	●
Program	Jan 11 – Jun 13	\$2,791,696	\$1,146,745	\$20,496	●	●
Requirements Management	Aug 11 – Jan 14	\$620,500	\$431,250	\$0	●	N/A
CalSTRS.com Redesign	Nov 11 – Mar 13	\$593,815	\$574,600	\$195,750	●	●
Omnibus Bill	Oct 11 – Nov 12	\$65,508	\$0	\$0	●	●
Penalties and Interest	Dec 09 – Aug 12	\$11,067,189	\$62,130	\$52,700	☺	☺
Pension Accounting Initiative	May 08 – Jul 12	\$6,372,839	\$0	\$0	☺	☺
Priority Management Project Portfolio Management Tool	Aug 11 – Dec 12	\$334,705	\$263,000	\$0	❌ ⁷	●
SchedulePlus	Dec 11 – Jul 12	\$30,000	\$0	\$0	☺	☺
Project Risk Reserve	Ongoing	\$1,000,000	\$1,000,000	\$0	N/A	●
Total Enterprise Technology Projects' 2012/2013 Budget⁸: \$18.5 million		Total 2012/2013 Allocated: \$12,522,023		Total 2012/2013 Expended: \$1,012,945		
Schedule & Budget Indicators:		● Acceptable	⚠ Warning	❌ Critical	☺ Complete	

¹ Project Total – amount represents the sum of the projects' prior years' actual expended amount and the current and future years budgeted amounts.

² 2012/2013 Expended – includes project expenses paid and does not reflect expenses that have been accrued.

³ BusinessRenew Corporate Accounting & Resource Management – \$15.5 million funded through Board and contingency funds and is excluded from the Enterprise Projects' stated Total Budget, Allocated and Expended information. Received EPIC funds of \$1,774,680 for fiscal year 2011/2012 and \$2,875,000 for fiscal year 2012/2013.

⁴ BusinessRenew Corporate Accounting & Resource Management - schedule warning due to potential delays in the completion of development and unit testing for critical interfaces.

⁵ BusinessRenew Data Preparation –schedule delay due to multiple issues related to Data Analysis Services procurement.

⁶ BusinessRenew Pension Solution - amount includes funds for project phases beyond the defined discovery and requirements phases.

⁷ Priority Management – Project Portfolio Management Tool – critical schedule delays in onboarding tool vendor.

⁸ Enterprise Technology Projects Budget – Beginning with fiscal year 2012/13 a new appropriation in the amount of \$18.5 million was created for the EPIC enterprise technology projects. A portion of the remaining \$1.5 million is used to support the Project Management Office and the remaining amount will remain available for use as needed.

Actuarial Valuation

The Actuarial Valuation project provides CalSTRS with verification of the actuarial valuation processes, improves the current valuation process through the use of both technology and process improvement.

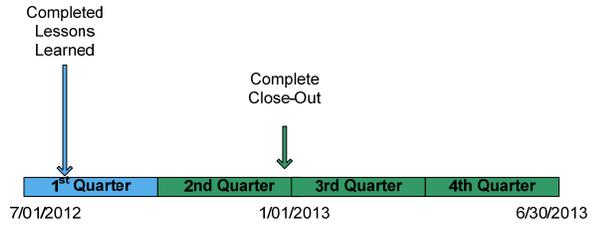
Period Ending September 30, 2012:

- Initiated project close-out activities.
- Completed Lessons Learned sessions.

Planned Deliverables by December 31, 2012:

- Complete project close-out activities.

Major Fiscal Year 2012/2013 Milestones

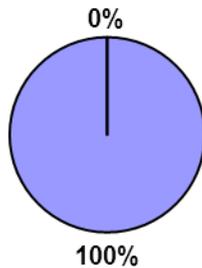
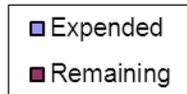


2012/2013 Project Budget
No Budget

Project Schedule Status Timeline



Total Project Budget
\$1.7 Million



Actuarial Valuation Detailed Procedures Report

The Actuarial Valuation Detailed Procedures Report project will provide CalSTRS with a detailed procedures manual of the current Actuarial Valuation processes that now utilize the technology provided with the Actuarial Valuation project.

Period Ending September 30, 2012:

- Received Enterprise Program Investment Council approval to establish a budget supporting Actuary backfill resources to allow the CalSTRS Actuary to develop the report.
- Finalized detailed procedures report outline.

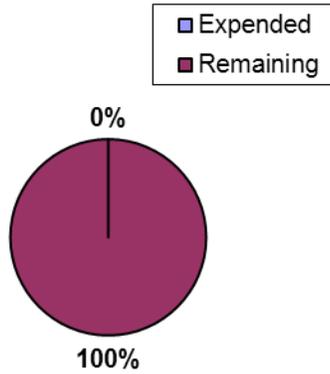
Planned Deliverables by December 31, 2012:

- Complete final detailed procedures report.

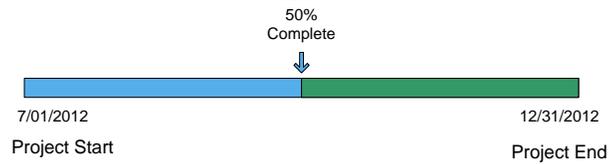
Major Fiscal Year 2012/2013 Milestones



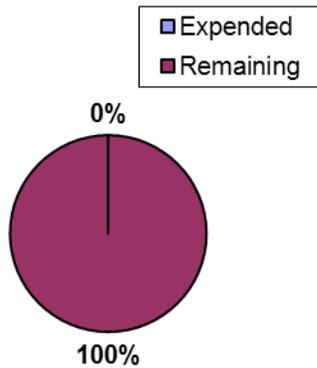
2012/2013 Project Budget
\$ 181 Thousand



Project Schedule Status Timeline



Total Project Budget
\$ 181 Thousand



Project Name	Purpose	Accomplishments
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Annual Update

The Annual Update process calculates fiscal year end contributions, interest and yearly service credit; transfers all necessary funds between the Defined Benefit and Defined Benefit Supplement accounts; as well as produces the *Retirement Progress Reports* (annual member statements).

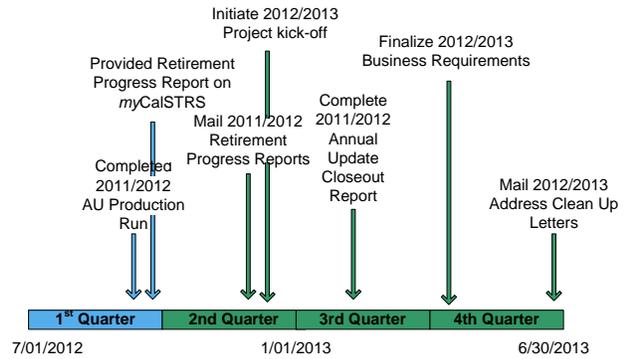
Period Ending September 30, 2012:

- Completed system integration and user acceptance testing.
- Completed the Annual Update production run (five weeks earlier than past years).
- Provided electronic version of the Retirement Progress Report (RPR) (628,232) on *myCalSTRS*.
- Conducted survey of members who elected to receive an electronic – only RPR.

Planned Deliverables by December 31, 2012:

- Provide Retirement Progress Report (RPR) samples at the Teachers' Retirement Board meeting.
- Mail Retirement Progress Reports (410,025) to members.
- Compile survey results from members who elected to receive an electronic RPR.
- Develop high level timelines for 2012/2013 Annual Update process.

Major Fiscal Year 2012/2013 Milestones



Project Schedule Status Timeline



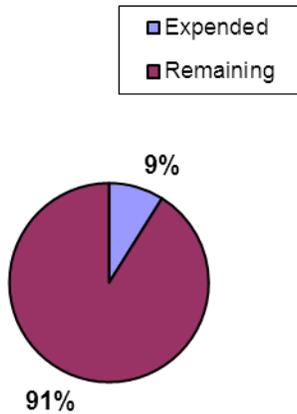
BusinessRenew Corporate Accounting & Resource Management

The BusinessRenew Corporate Accounting and Resource Management (CARM) project will improve financial reporting, corporate accounting, budgeting, procurement and contract management by implementing policies and technology systems that include automated internal controls to reduce financial and operational risks.

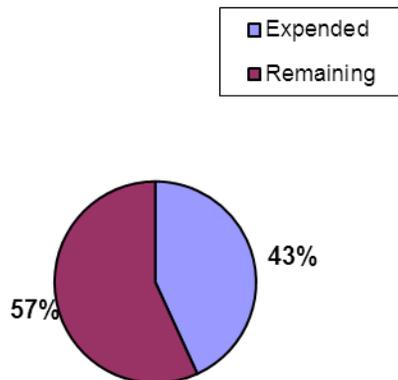
Period Ending September 30, 2012:

- Reset the project schedule and the target go-live date to 12/17/12 with an accounting effective date of 12/1/12.
- Configured the final 5% of the core system (99.6% of system is now configured).
- Completed functional design for 41% of custom development objects (91% of all designs are now complete).
- Developed 42% of custom objects (78% of all custom objects are now developed).
- Completed unit testing of 61% of business processes. (89% of all unit testing is now complete).
- Completed 23% of all Business Process Procedure (BPP) documents (33% of all BPP development is now complete).
- Developed 35% of the Training Materials.
- Completed Data Conversion Plan.
- Commenced Integration Testing (executed and passed 12 of 29 end-to-end business processes).
- Built technical environment to be used for training.
- Validated most security roles with business units.
- Commenced impact analysis process with business representatives.

2012/2013 Project Budget \$2.9 Million



Total Project Budget \$19 Million



Planned Deliverables by December 31, 2012:

- Complete system configuration.
- Complete development of custom objects.
- Complete business processes unit testing.
- Complete Integration Testing (including User Acceptance Testing).
- Complete Data Conversion testing.
- Complete Change Impact Analysis with Action Plan.
- Complete Business Process Procedure (BPP) documents.
- Conduct "Demofest" open house providing demonstrations of specific functionality and eLearning training.
- Complete all training materials and commence end-user training.
- Evaluate project schedule at IT2 Checkpoint on 11/5.

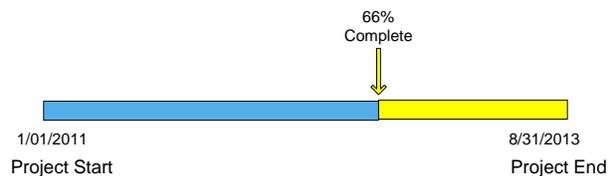
⚠ Schedule Warning: Project is at risk of schedule slippage due to potential delays in the completion of development and unit testing for critical interfaces and the resulting limited timeline for the first cycle of integration testing with these interfaces.

Note: Project is funded from FY2011/2012 Operating Budget one time funds and contingency funds and is utilizing Enterprise Program Investment Council (EPIC) funding for supplementing the base budget.

Major Fiscal Year 2012/2013 Milestones



Project Schedule Status Timeline



**BusinessRenew
Data
Preparation**

The Renew Data Preparation project will acquire the services of a Data Analysis Services vendor to assist in analyzing CalSTRS pension data and developing a plan for preparing the data for conversion to a new pension solution.

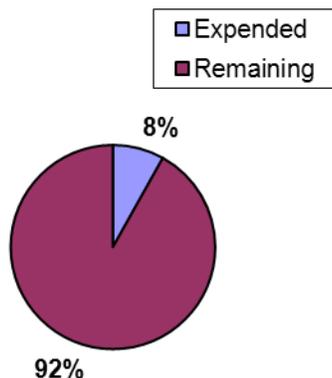
Period Ending September 30, 2012:

- Delivered the Complete Account Review and Evaluation (CARE) team's fourth quarter progress report to the Enterprise Program Investment Council (EPIC).
- Re-released the Data Analysis Services Request for Proposal.
- Released the Enterprise Information Management Request for Offer.
- Requested and received approval from Enterprise Program Investment Council (EPIC) for a project extension to June 2014 and associated budget.

Planned Deliverables by December 31, 2012:

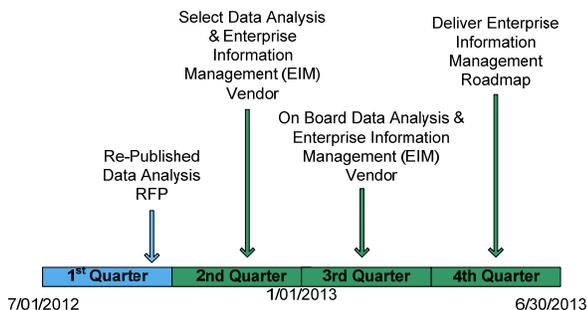
- Complete Data Analysis Services vendor selection process and award contract.
- Complete Enterprise Information Management vendor selection process and award contract.

**2012/2013 Project Budget
\$2 Million**

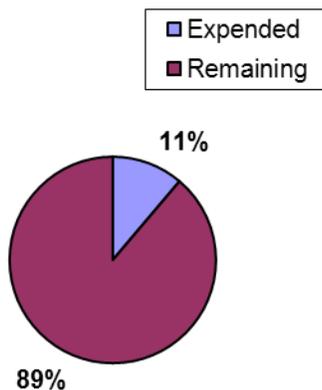


Schedule Warning: The project is behind schedule due to the cancellation of the first Data Analysis Services Request for Proposal as a result of receiving no qualified bids.

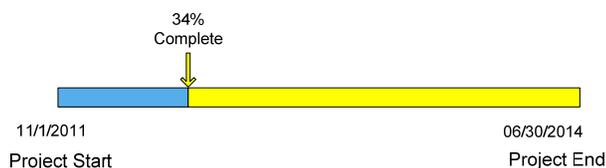
Major Fiscal Year 2012/2013 Milestones



**Total Project Budget
\$6.1 Million**



Project Schedule Status Timeline



BusinessRenew Independent Project Oversight

The BusinessRenew Independent Project Oversight will deliver an independent, un-biased assessment of significant BusinessRenew projects progress, outcomes, project and risk management, including but not limited to compliance with established governance and project management processes and best practices.

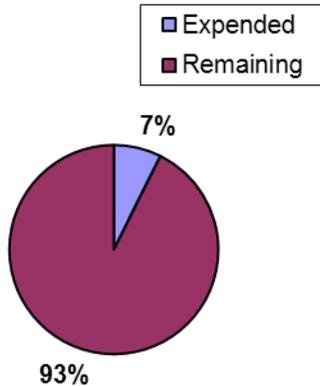
Period Ending September 30, 2012:

- Completed monthly comprehensive status reports for Corporate Accounting and Resource Management, Pension Solution and Data Preparation.
- Reviewed and provided feedback on Corporate Accounting and Resource Management and Pension Solution project deliverables.
- Developed board presentations for July and September BusinessRenew project status.
- Provided advisory services to the Enterprise Program Investment Council (EPIC) on information technology project management best practices.
- Provided input and feedback on BusinessRenew Program governance model.

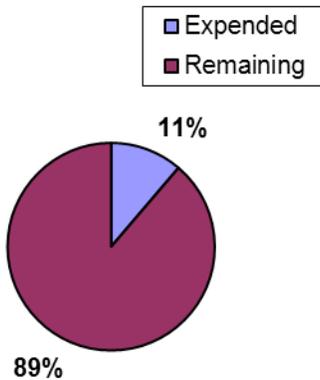
Planned Deliverables by December 31, 2012:

- Complete comprehensive monthly status reports for Corporate Accounting and Resource Management, Pension Solution and Data Preparation.
- Provide oversight and guidance on Pension Solution requirements and procurement project planning activities.

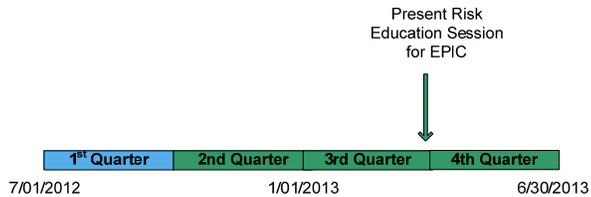
2012/2013 Project Budget
\$1.1 Million



Total Project Budget
\$6.3 Million



Major Fiscal Year 2012/2013 Milestones



Project Schedule Status Timeline



BusinessRenew Pension Solution

The Renew Pension Solution project will complete the planning for the new pension solution through the procurement of the solution. The project is currently documenting business requirements and starting some of the procurement activities.

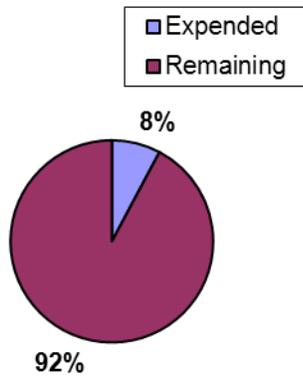
Period Ending September 30, 2012:

- Finalized the business requirements phase project schedule.
- Finalized the process for documenting the pension administration business requirements and tracing the requirements to the laws, regulations and policies.
- Completed the interim tool that will be used for capturing and tracing the requirements until an enterprise tool is implemented.
- Finalized the strategy for engaging the Enterprise Initiatives and Technology branch in the Pension Solution project and conducted the first small group discussion.

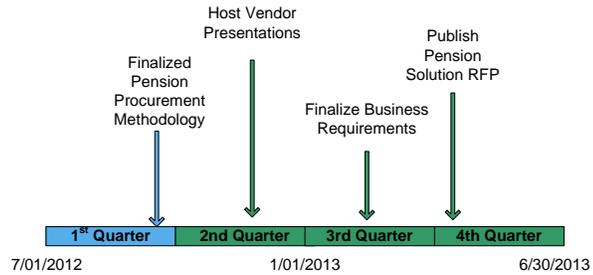
Planned Deliverables by December 31, 2012:

- Finalize the project staffing plan.
- Host fifteen (15) vendor presentations to learn about the companies and their solution and publish a market research summary document.
- Conduct requirements gathering sessions with the business area Subject Matter Experts.
- Complete the Enterprise Initiatives Technology (EIT) small group discussions as part of the EIT engagement strategy.
- Begin the first stage of the Request for Proposal development process.
- Develop the Request for Information for Pension Solution vendor services.

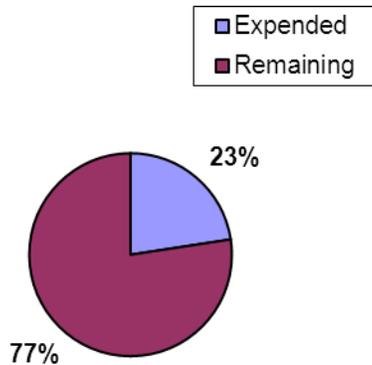
**2012/2013 Project Budget
\$3.1 Million**



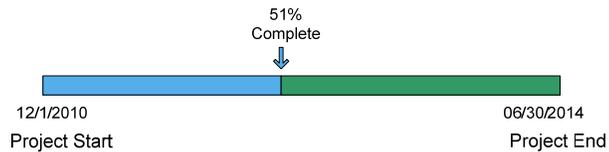
Major Fiscal Year 2012/2013 Milestones



**Total Project Budget
\$6.9 Million**



Project Schedule Status Timeline



BusinessRenew Program

The BusinessRenew Program will provide project support for all BusinessRenew project efforts including independent project oversight, legal services, program risk and issue management, and cultural change and communications management support.

Period Ending September 30, 2012:

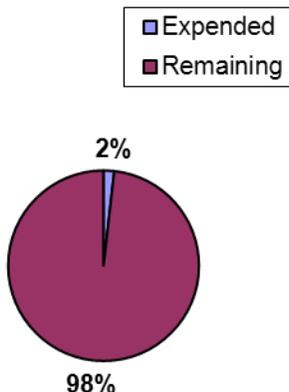
- Received Enterprise Program Investment Council (EPIC) approval to establish a BusinessRenew Program to provide oversight and governance over all BusinessRenew projects. (Note: BusinessRenew Project Support is now incorporated into the BusinessRenew Program reporting).
- Provided communications and cultural change management support for large BusinessRenew projects (Corporate Accounting and Resource Management, Pension Solution and Data Preparation).

Planned Deliverables by December 31, 2012:

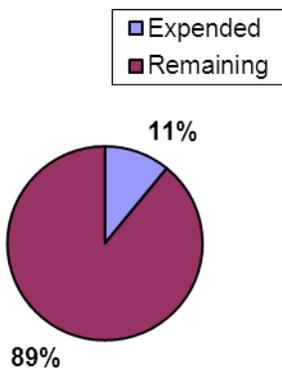
- Implement the BusinessRenew Program (December 2012).
- Provide on-going communications and cultural change management support for large BusinessRenew projects (Corporate Accounting and Resource Management, Pension Solution and Data Preparation).

Major Fiscal Year 2012/2013 Milestones

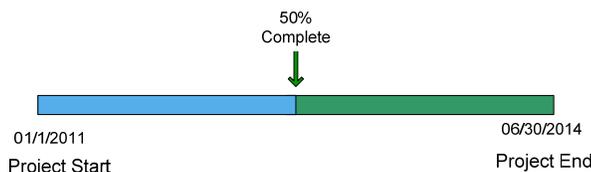
2012/2013 Project Budget
\$1.1 Million



Total Project Budget
\$2.8 Million



Project Schedule Status Timeline



Project Name	Purpose	Accomplishments
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BusinessRenew Requirements Management

The BusinessRenew Requirements Management project will develop the strategy for managing CalSTRS business and system requirements. Upon approval, a second phase of the project will be initiated to implement the plan.

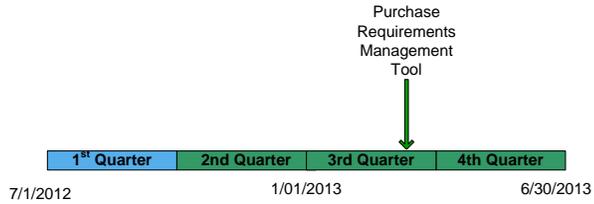
Period Ending September 30, 2012:

- Received Enterprise Program Investment Council (EPIC) approval for the discovery recommendations to purchase a new tool and implement the requirements management plan.
- Finalized the requirements management tool requirements and evaluations.

Planned Deliverables by December 31, 2012:

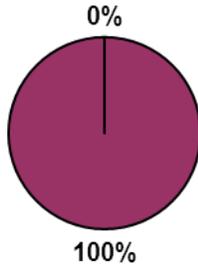
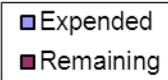
- Conduct demonstrations of the recommended requirements management tool.
- Begin procuring the recommended requirements management tool.

Major Fiscal Year 2012/2013 Milestones

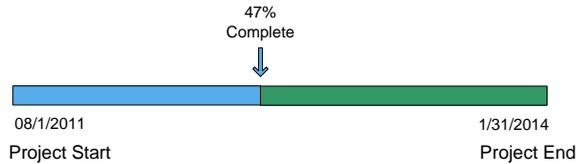


2012/2013 Project Budget

\$431 Thousand

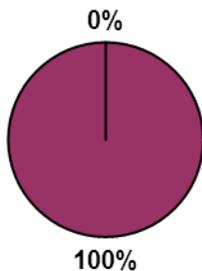
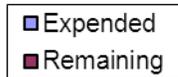


Project Schedule Status Timeline



Total Project Budget

\$620 Thousand



CalSTRS.com Redesign

The CalSTRS.com Redesign Project will provide CalSTRS and its stakeholders with a new CalSTRS.com website design, functionality and improved content management.

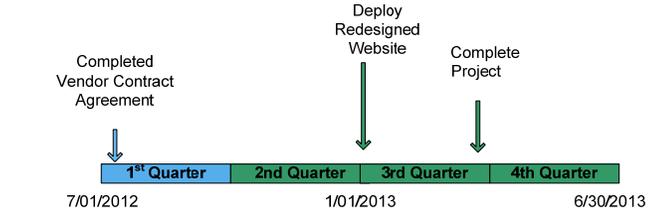
Period Ending September 30, 2012:

- Completed discovery results deliverable.
- On boarded website redesign services vendor.
- Completed content management system environments and installation.
- Completed website design concept.

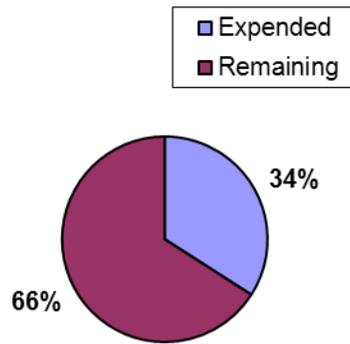
Planned Deliverables by December 31, 2012:

- Complete website content refresh and migration.
- Complete testing and web standard checks.
- Complete training and program transition efforts.

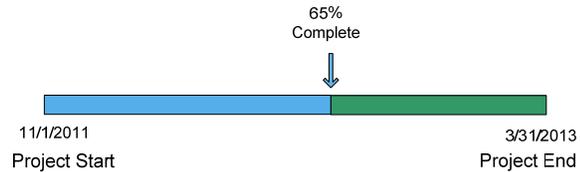
Major Fiscal Year 2012/2013 Milestones



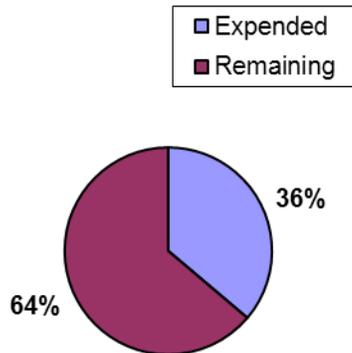
2012/2013 Project Budget \$575 Thousand



Project Schedule Status Timeline



Total Project Budget \$594 Thousand



Omnibus Bill

The Omnibus project will implement high priority/high impact measures in the 2011 Senate Bill 349: Retroactive Service Retirement Benefit effective date; change or cancel option elections and Retirement application changes 30 days after the first payment; and Cash Balance Program contributions not allowed for Defined Benefit retirees.

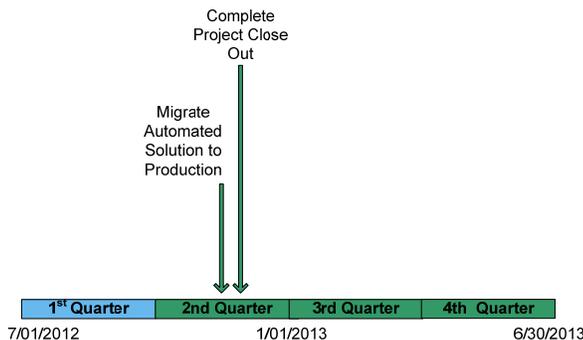
Period Ending September 30, 2012:

- Completed business requirements for fully automated solution.

Planned Deliverables by December 31, 2012:

- Complete development, system integration and user testing for fully automated solution.
- Complete migration of automated solution to production environments.
- Conduct Lessons Learned and close project.

Major Fiscal Year 2012/2013 Milestones

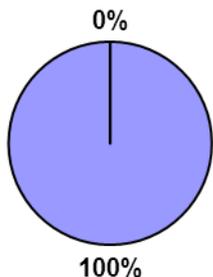
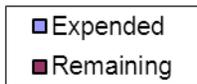


2012/2013 Project Budget
No Budget

Project Schedule Status Timeline



Total Project Budget
\$66 Thousand



Penalties and Interest

The Penalties and Interest project implemented SAP, a commercial off-the-shelf (COTS) solution, to automate the calculation, billing, monitoring, collection and dispute process of penalties and interest assessed to Employers for late remittances, late reporting and late adjustments of contributions.

Period Ending September 30, 2012:

- Attained the 7/1/12 "Regulations Go-Live" milestone at which the regulations became legally effective, and CalSTRS began calculating and invoicing actual penalties and interest on late submissions.
- Turned on dispute resolution functionality and began managing employer disputes of penalties and interests charged.
- Completed remaining system integration and User Acceptance Testing (UAT) for Direct Reporting functionality and implemented into production.
- Completed employer training and readiness activities.
- Completed lessons learned and project close-out activities and related close-out report.

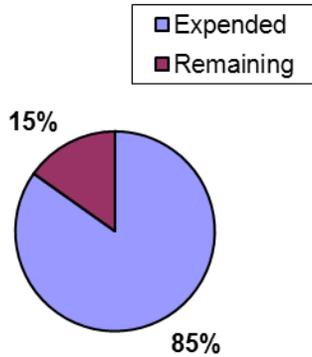
Planned Deliverables by December 31, 2012:

- Project Complete

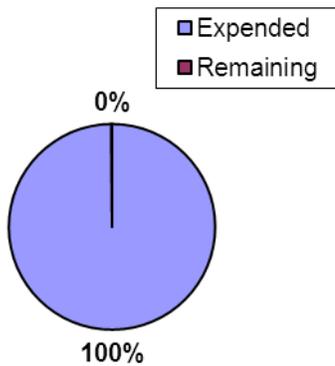
Total Project Cost: Project was completed under budget.

Schedule and scope: Project was completed within the approved schedule and scope.

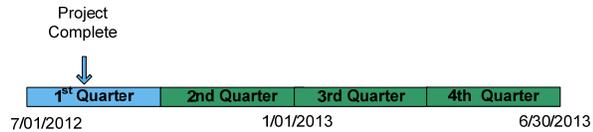
2012/2013 Project Budget
\$62 Thousand



Total Project Budget
\$11.1 Million



Major Fiscal Year 2012/2013 Milestones



Project Schedule Status Timeline



Pension Accounting Initiative

The Pension Accounting Initiative improves internal controls by addressing gaps between current and best practices in accounting policy, planning, treatment, chart of accounts, analysis, availability of financial information, use of the general ledger, communication of fiscal impacts, and training for pension administration business events.

Period Ending September 30, 2012:

- Developed, for approval, an organization structure for the Financial Services Branch to accommodate the staffing changes necessary with the implementation of system as result of the Corporate Accounting and Resource Management (CARM) project.
- Complete the financial services branch reorganization model.

Planned Deliverables by December 31, 2012:

- Complete project close-out report.

Major Fiscal Year 2012/2013 Milestones

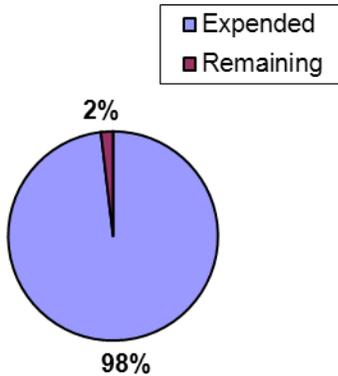


Project Schedule Status Timeline



2012/2013 Project Budget
No Budget

Total Project Budget
\$6.4 Million



Priority Management-Project Portfolio Management (PPM) Tool

The Priority Management - Project Portfolio Management (PPM) Tool will procure and implement a new tool for effective project and resource data collection, management and reporting.

Period Ending September 30, 2012:

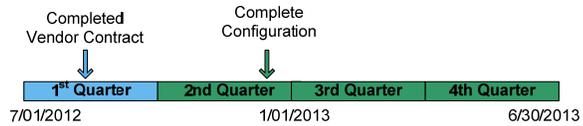
- Complete Project Portfolio Management (PPM) tool vendor contract.

Planned Deliverables by December 31, 2012:

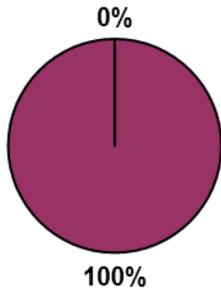
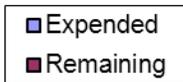
- Complete Project Portfolio Management (PPM) tool vendor onboarding.
- Complete tool design.
- Request Enterprise Program Investment Council (EPIC) approval to extend the project schedule.

Critical Schedule Warning: The project is behind schedule due to delays in onboarding the Project Portfolio Management tool vendor. The date to be determined at completion of the design phase in late November.

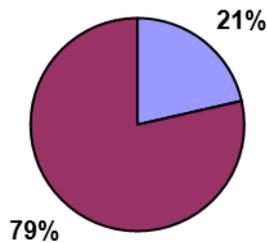
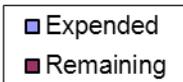
Major Fiscal Year 2012/2013 Milestones



2012/2013 Project Budget \$263 Million



Total Project Budget \$335 Thousand



Project Schedule Status Timeline



SchedulePlus

The SchedulePlus Discovery effort will identify potential comprehensive Software as a Service (SaaS) solutions and implementation plan to support member self-scheduling and internal scheduling of workshops, group and individual counseling sessions and Pension2 educational services.

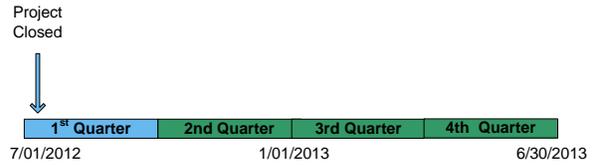
Period Ending September 30, 2012:

- Completed discovery lessons learned.
- Terminated discovery prior to completion.
- Moved the remainder of the temporary workshop tool implementation activities to the business area.

Planned Deliverables by December 31, 2012:

- Project is closed.

Major Fiscal Year 2012/2013 Milestones



2012/2013 Project Budget
No Budget

Project Schedule Status Timeline



Total Project Budget
\$22 Thousand

