
CALSTRS

Enterprise Technology Projects Fiscal Year 2012/2013 Fourth Quarter Report

Enterprise Projects

Fiscal Year 2012/2013 – Fourth Quarter

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.

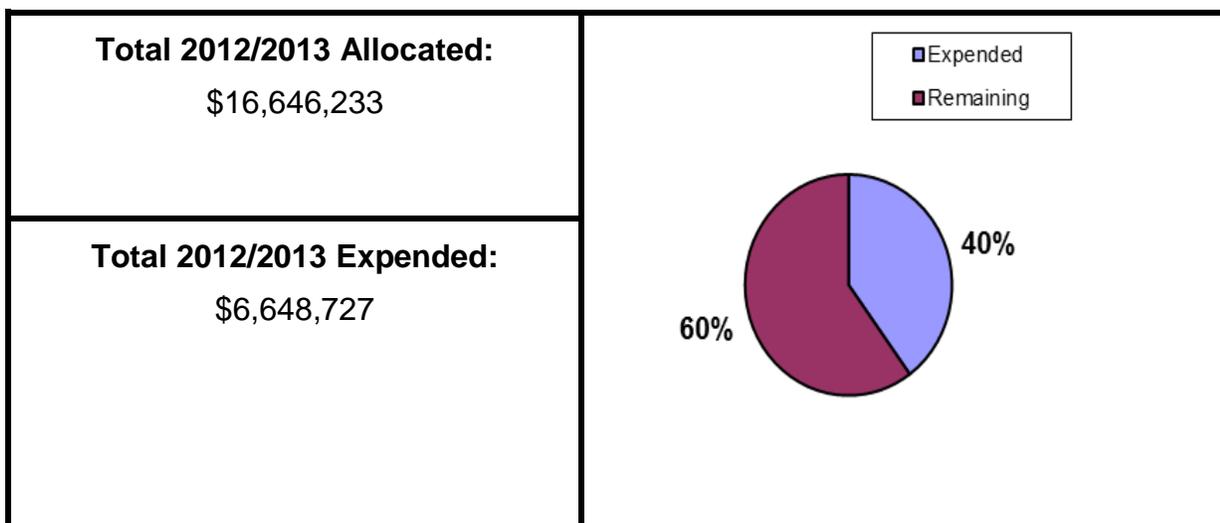
The Project Management Office (PMO) monitors and reports on the EPIC Technology Projects Budget and enterprise technology projects monthly to EPIC and quarterly to the Teachers' Retirement Board.

Enterprise Program Investment Council Members

Jack Ehnes Chief Executive Officer	
Robin Madsen Chief Financial Officer	Cassandra Lichnock Chief Operating Officer
Ed Derman Deputy Chief Executive Officer Plan Design and Communication	Peggy Plett Deputy Chief Executive Officer Benefits and Services
Ray Greenhouse Acting Deputy Chief Executive Officer Technology Services	Brian Bartow General Counsel
Chris Caietti BusinessRenew Executive Officer	Tracy Scribner Acting Chief Technology Officer

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

As of June 30, 2013



Quarter Ending June 30, 2013

Enterprise Technology Projects Fiscal Year 2012/2013

Project Name	Duration	Project Total ¹	2012/2013 Budget	2012/2013 Expended	Schedule	Budget
AB 340 Pension Reform	Oct 12 – Jul 13	\$780,675	\$780,675	\$24,059	●	●
Actuarial Valuation	Apr 08 – Aug 12	\$1,720,777	\$0	\$0	☺	☺
Actuarial Valuation Detailed Procedures Report	Jul 12 - Dec 12	\$181,000	\$181,000	\$138,297	☺	☺
Annual Update	Jul 12 – Jun 13	\$0	\$0	\$0	●	●
BusinessRenew						
BusinessDirect ²	Jan 11 – Aug 13	\$21,005,503 ²	\$3,718,505	\$865,807	☹ ³	●
Data Preparation	Nov 11 – Jun 14	\$6,001,428	\$2,824,599	\$924,915	☹ ⁴	●
Enterprise Information Management	Feb 13 – Jun 13	\$422,000	\$422,000	\$173,951	☹ ⁵	●
Independent Project Oversight	Sep 11 – Oct 19	\$6,454,412	\$1,105,098	\$985,995	●	●
Pension Solution	Dec 10 – Jun 14	\$7,939,159 ⁶	\$3,147,631	\$1,015,687	☹ ⁷	●
Program	Jan 11 – Jun 14	\$4,148,911	\$1,146,745	\$237,156	☹ ⁸	●
Requirements Management	Aug 11 – Jan 14	\$620,500	\$431,250	\$0	☹ ⁹	●
CalSTRS.com Redesign	Nov 11 – May 13	\$844,815	\$825,600	\$645,325	☺	☺
GASB 67/68	TBD	\$488,000	\$488,000	\$0	☹	☹
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 13	\$584,705	\$513,000	\$0	●	●
SchedulePlus	Dec 11 – Jul 12	\$21,630	\$0	\$0	☺	☺
Project Risk Reserve	Ongoing	\$1,000,000	\$1,000,000	\$0	N/A	●
Total Enterprise Technology Projects' 2012/2013 Budget¹⁰: \$18.5 million		Total 2012/2013 Allocated: \$16,646,233		Total 2012/2013 Expended: \$6,648,727		
Schedule & Budget Indicators: ● Acceptable ☹ Warning ☹ Critical ☺ Complete ☹ On Hold						

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

² BusinessRenew BusinessDirect (previously known as 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 \$3,718,505 for fiscal year 2012/2013.

³ BusinessRenew BusinessDirect - schedule slippage due to delays in launching Release 1 and impacting the planned date for Release 2.

⁴ BusinessRenew Data Preparation- schedule delay due to loss of vendor resources.

⁵ BusinessRenew Enterprise Information Management -schedule delay due to the addition of activities for stakeholder acceptance and extended review cycles.

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

⁷ BusinessRenew Pension Solution – schedule slippage due to delays in items requiring executive decision and delays in hiring resources.

⁸ BusinessRenew Program – schedule slippage due to delays in hiring program resources.

⁹ BusinessRenew Requirements Management - schedule slippage due to delays in the tool procurement process.

¹⁰ 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. The funds not expended during fiscal year 2012/13 will continue to be available for use for two additional years. The maximum 2012/13 amount approved for carry over through the budget act is \$6.7 million. 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.

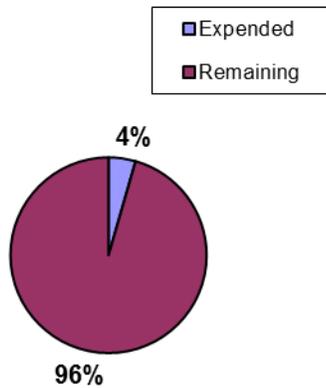
AB 340 Pension Reform

The Pension Reform Project will implement Assembly Bill 340 (Furitani), enacted as Chapter 296, Statutes of 2012, an extensive revision to California public pension plans.

Period Ending June 30, 2013:

- Continued updates to member communication publications and directives to reflect AB 340 changes.
- Completed user acceptance testing for Phase 2.1 release, the functionality to prevent a benefit stream from authorizing if under the new retirement formula, unless a specific override has been applied.
- Completed Discovery efforts for remaining nine (9) identified items affected by AB 340.
- Received Enterprise Program Investment Council (EPIC) approval to extend the schedule by two-months for the Discovery to July 2013.
- Received Enterprise Program Investment Council (EPIC) approval to reserve funding for the Business Direct enhancements to be completed by BusinessDirect vendor.

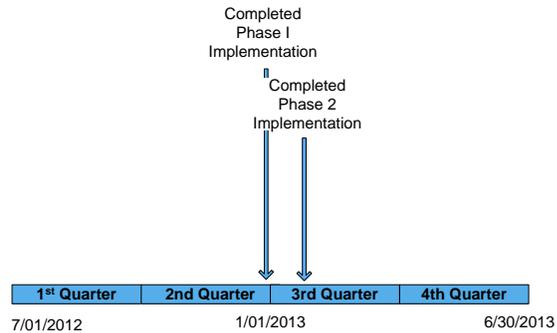
2012/2013 Project Budget \$781 Thousand



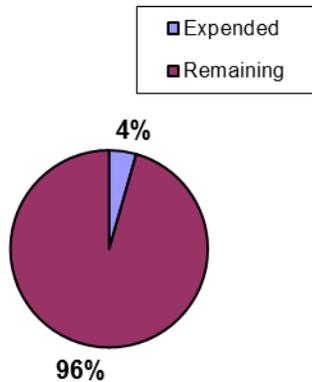
Planned Deliverables by September 30, 2013:

- Continue updates to publications and directives.
- Implement Phase 2.1 functionality to prevent a benefit stream from authorizing if under the new retirement formula, unless a specific override has been applied.
- Complete Discovery Results document and Enterprise Program Investment Council (EPIC) presentation.
- Request Enterprise Program Investment Council (EPIC) approval for a 13-month implementation project to include three phases to implement the nine remaining identified items affected by AB 340.

Major Fiscal Year 2012/2013 Milestones



Total Project Budget \$781 Thousand



Project Schedule Status Timeline



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.

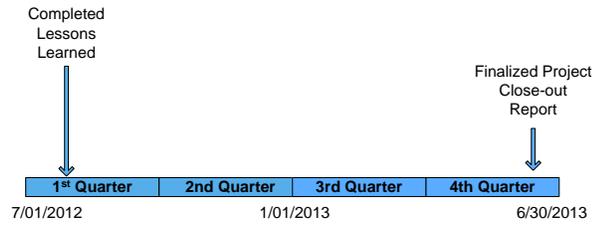
Period Ending June 30, 2013:

- Continued project close-out report review.

Planned Deliverables by September 30, 2013:

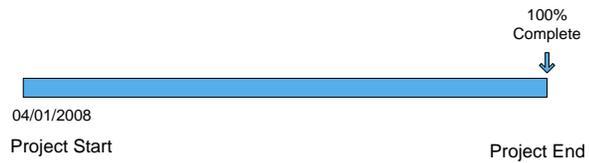
- Receive final project close-out report approval.

Major Fiscal Year 2012/2013 Milestones

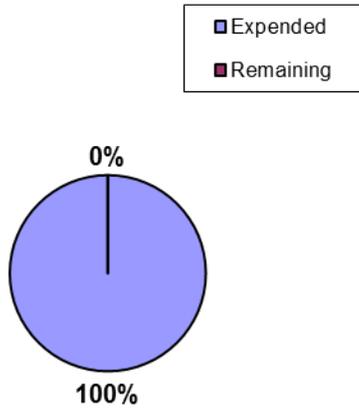


2012/2013 Project Budget
No Budget

Project Schedule Status Timeline



Total Project Budget
\$1.7 Million



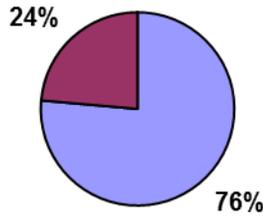
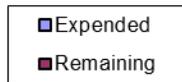
Actuarial Valuation Detailed Procedures Report

The Actuarial Valuation Detailed Procedures Report project provides 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 June 30, 2013:**
- Completed final detailed procedures report.
- Planned Deliverables by September 30, 2013:**
- Project complete.

Major Fiscal Year 2012/2013 Milestones

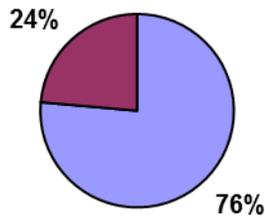
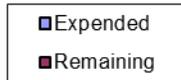
2012/2013 Project Budget \$ 181 Thousand



Project Schedule Status Timeline



Total Project Budget \$ 181 Thousand



Project Name	Purpose	Accomplishments
--------------	---------	-----------------

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 and produces the *Retirement Progress Reports* (annual member statements).

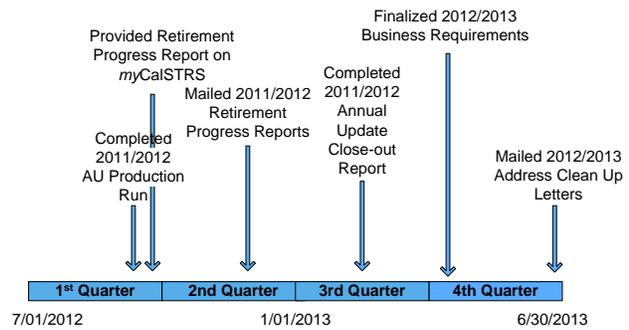
Period Ending June 30, 2013:

- Finalized 2012/2013 business requirements.
- Completed the development of 2012/2013 Annual Update enhancements.
- Completed development and unit test in preparation for System Integration Testing (SIT).
- Submitted initial test data to print vendor.
- Mailed 28,129 address clean up letters to members with an account balance.

Planned Deliverables by September 30, 2013:

- Complete System Integration Testing (SIT) and User Acceptance Testing (UAT).
- Process final employer reports and/or implement contingency plan for closing fiscal year end files.
- Complete Annual Update production run.
- Post Retirement Progress Reports on *myCalSTRS*.
- Receive Enterprise Program Investment Council (EPIC) approval to implement the online RPR only default for 2013/201414 Retirement Progress Reports.

Major Fiscal Year 2012/2013 Milestones



Project Schedule Status Timeline



**BusinessRenew
BusinessDirect**

The BusinessRenew BusinessDirect project --previously known as Corporate Accounting and Resource Management (CARM) project--improves 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 June 30, 2013:

- Continued the Release 1.0 phase lessons learned and close-out activities.
- Continued Release 1.5 configuration and custom object development and associated testing activities.
- Migrated development systems to a separate network for increased security.

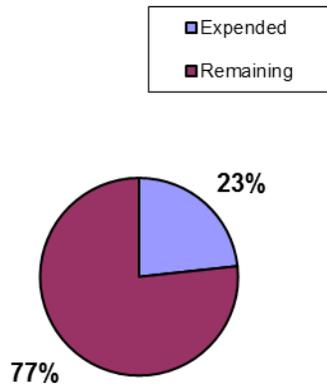
Planned Deliverables by September 30, 2013:

- Request Enterprise Project Investment Council to extend the project schedule to complete the remaining Phases 1 and 1.5, and network migration activities.
- Complete the Release 1.0 phase lessons learned and close-out activities.
- Complete Release 1.5 configuration and custom object development and associated testing and implementation activities.
- Migrate test system to a separate network for increased security.

🚩 Schedule Warning: Project is behind schedule due to historical implementation vendor resource issues and ongoing production support versus project resource contention.

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.

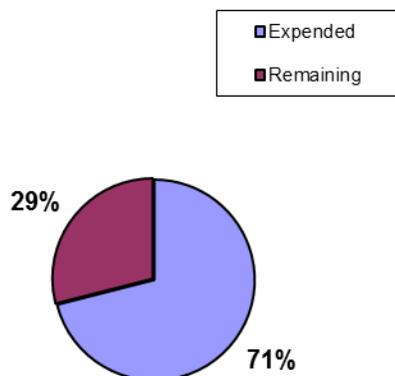
**2012/2013 Project Budget
\$3.7 Million**



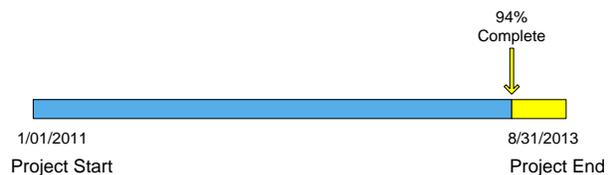
Major Fiscal Year 2012/2013 Milestones



**Total Project Budget
\$21 Million**



Project Schedule Status Timeline



Project Name	Purpose	Accomplishments
--------------	---------	-----------------

BusinessRenew Data Preparation

The Renew Data Preparation project acquired 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 June 30, 2013:

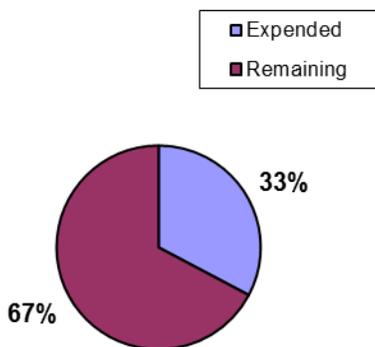
- Delivered the Complete Account Review and Evaluation (CARE) team's progress report, for the quarter ending March 31, 2013 to the Enterprise Program Investment Council (EPIC).
- Commenced data profiling activities.
- Developed project schedule and staffing plan.
- Developed data analysis approach.

Planned Deliverables by September 30, 2013:

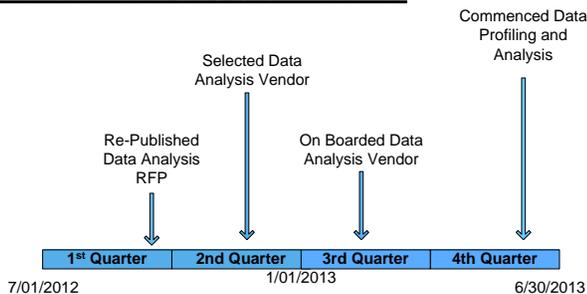
- Complete re-baselining the project schedule.
- Continue data profiling and initiate data analysis activities.

♦ **Critical Warning:** The project was re-baselined in June. Due to resource issues in the vendor team, the schedule will be re-baselined again when the vendor resource issues have been resolved.

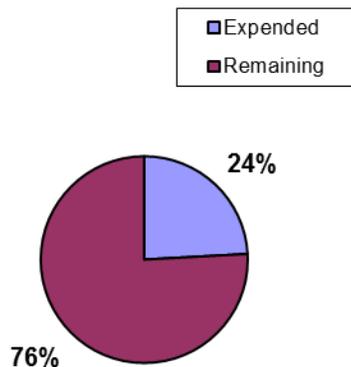
2012/2013 Project Budget \$2.8 Million



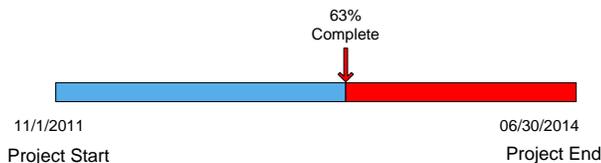
Major Fiscal Year 2012/2013 Milestones



Total Project Budget \$6 Million



Project Schedule Status Timeline



Project Name	Purpose	Accomplishments
--------------	---------	-----------------

BusinessRenew Enterprise Information Management

The Renew Enterprise Information Management (EIM) project will utilize the services of an experienced EIM vendor to capture enterprise data risks and opportunities, and develop a roadmap to achieve the EIM goals set.

Period Ending June 30, 2013:

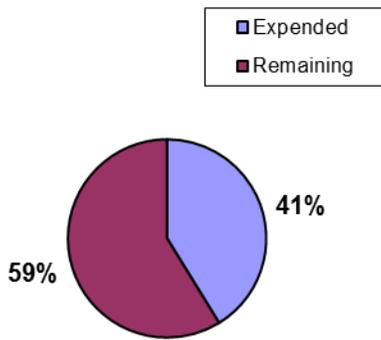
- Completed staff training on concepts and practice.
- Finalized current state and target state assessments.
- Finalized the GAP analysis.
- Initiated Enterprise Information Management roadmap and associated business case.
- Received Enterprise Program Investment Council (EPIC) approval to extend the project schedule to August 2013.

Planned Deliverables by September 30, 2013:

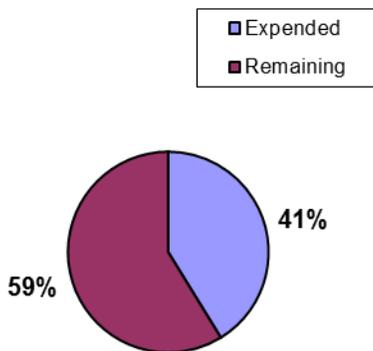
- Finalize Enterprise Information Management roadmap and business case.
- Present findings to Executive Staff.
- Request Enterprise Program Investment Council (EPIC) approval to proceed with the roadmap recommendations.

Schedule Warning: The project is behind schedule due to the addition of activities for stakeholder acceptance and extended deliverable review cycles and is anticipated to be back on schedule in July.

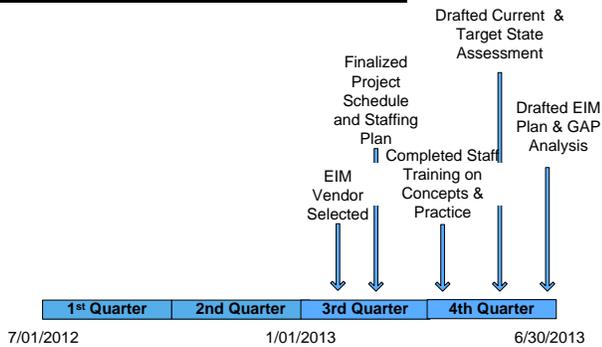
2012/2013 Project Budget \$422 Thousand



Total Project Budget \$422 Thousand



Major Fiscal Year 2012/2013 Milestones



Project Schedule Status Timeline



Project Name	Purpose	Accomplishments
--------------	---------	-----------------

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.

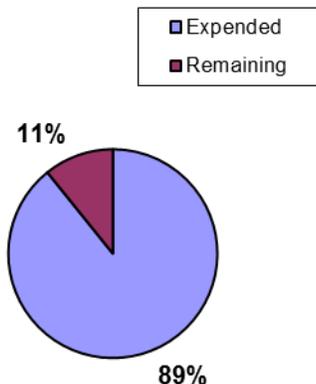
Period Ending June 30, 2013:

- Completed monthly comprehensive status reports for BusinessDirect, Pension Solution, Data Preparation, and Enterprise Information Management.
- Reviewed and provided feedback on BusinessDirect, Pension Solution, Data Preparation, and Enterprise Information Management project deliverables.
- Developed board presentations on 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 Pension Solution procurement process.

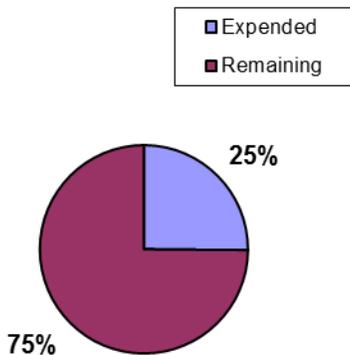
Planned Deliverables by September 30, 2013:

- Provide program level reporting to board.
- Complete comprehensive monthly status reports for BusinessDirect, Pension Solution, Data Preparation and Enterprise Information Management.
- Provide oversight and guidance on Pension Solution procurement project planning activities.
- Provide oversight and guidance for the Requirements Management procurement activities.
- Present project risk education and lessons learned session to the Enterprise Program Investment Council (EPIC).

2012/2013 Project Budget
\$1 Million



Total Project Budget
\$6.5 Million



Major Fiscal Year 2012/2013 Milestones



Project Schedule Status Timeline



Project Name

Accomplishments

BusinessRenew Pension Solution

The BusinessRenew Pension Solution project will replace our existing pension administration system in order to strengthen automated internal controls and bring consistent and sustainable business processes for member data. The project is currently approved through the procurement phase.

Period Ending June 30, 2013:

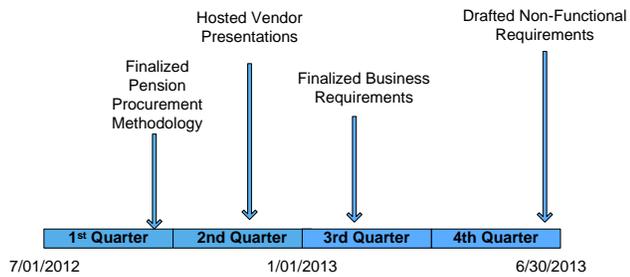
- Finalized the Request for Information (RFI) Results Report.
- Completed a draft of the non-functional requirements documentation for the Pension Solution Request for Proposal (RFP).
- Completed the Readiness Assessments for Service Retirement, Client Outreach and Guidance, and Disability and Survivor Benefits staff.
- Completed a draft Pension Solution Selection Criteria and Evaluation Methodology document.

Planned Deliverables by September 30, 2013:

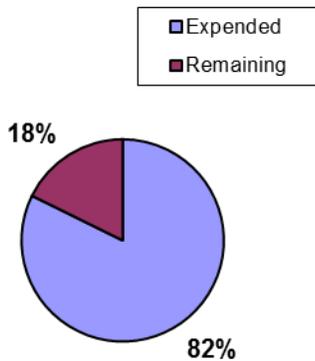
- Distribute the Pension Solution RFP for final review prior to publication.
- Complete the Benefits and Services staff Readiness Assessments.

⚠ Schedule Warning: The project is behind schedule due to delays in items requiring executive decision and delays in hiring resources.

Major Fiscal Year 2012/2013 Milestones



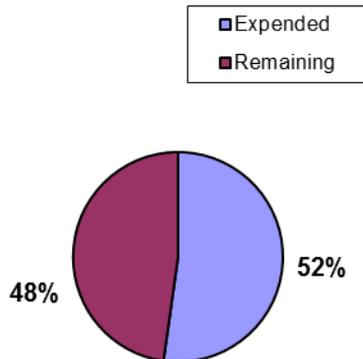
2012/2013 Project Budget \$3 Million



Project Schedule Status Timeline



Total Project Budget \$8 Million



BusinessRenew Program

The Renew Project Support provides project support for all Renew project efforts including independent project oversight, legal services and cultural change and communications management support.

Period Ending June 30, 2013:

- Received Enterprise Project Investment Council (EPIC) budget approval for 2013/2014.
- Received Enterprise Program Investment Council (EPIC) to migrate BusinessRenew Project Support into a BusinessRenew Program and established the program.
- Established the BusinessRenew Program within the newly created strategic operational program: BusinessRenew Executive Office and hired new executive (Chris Caietti).
- Provided on-going communications and cultural change management support for large BusinessRenew projects (BusinessDirect, Pension Solution, Data Preparation and Enterprise Information Management).
- Provided BusinessRenew Program risk and issue management.

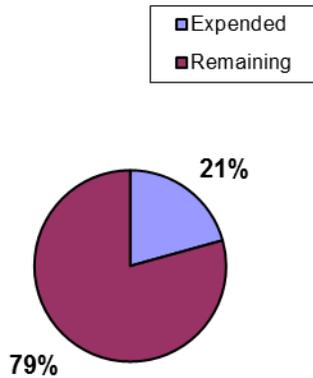
Planned Deliverables by September 30, 2013:

- Provide board overview and update on BusinessRenew program; including long term budget projections.
- Provide on-going communications and cultural change management support for large BusinessRenew projects (BusinessDirect, Pension Solution, Data Preparation, Enterprise Information Management, and Requirements Management).
- Provide ongoing BusinessRenew Program risk and issue management.
- Hire additional program resources.

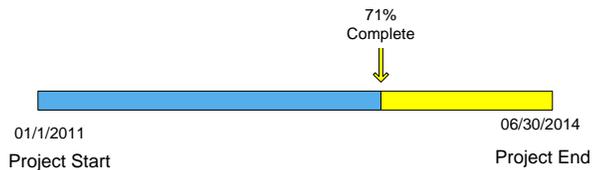
Schedule Warning: The program is behind schedule due to delays in hiring program resources.

Major Fiscal Year 2012/2013 Milestones

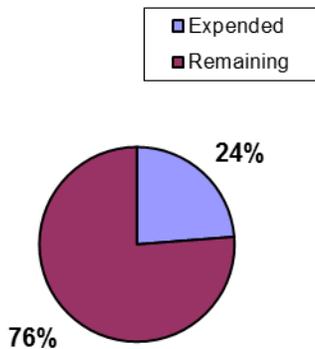
2012/2013 Project Budget
\$1 Million



Project Schedule Status Timeline



Total Project Budget
\$4 Million



BusinessRenew Requirements Management

The BusinessRenew Requirements Management Project will purchase and implement a requirements management tool, implement the Requirements Management Plan (RMP), implement a requirements management process, convert the Pension Solution Requirements and migrate existing requirements as identified by the project.

Period Ending June 30, 2013:

- Updated the Entity-Relationship Diagram (ERD) and Data Dictionary for the current Pension Solutions project requirements repository.
- Created Requirements Management Process.

Planned Deliverables by September 30, 2013:

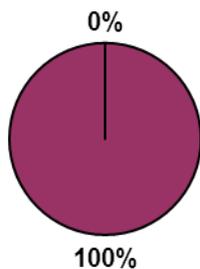
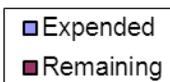
- Release Request for Quote (RFQ) to procure CalSTRS Requirements Management tool.
- Complete CalSTRS plan for managing business and system requirements.
- Develop the high level Data Migration Plan.
- Develop requirements management best practices.
- Complete the Requirements Management Plan.

⚠ Schedule Warning: The project is behind schedule due to delays in the tool procurement process.

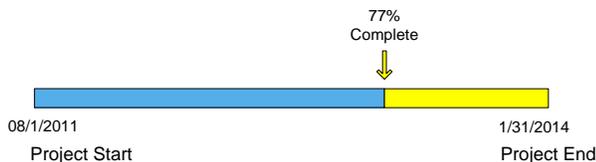
Major Fiscal Year 2012/2013 Milestones



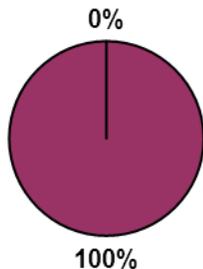
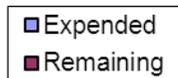
2012/2013 Project Budget
\$431 Thousand



Project Schedule Status Timeline



Total Project Budget
\$620 Thousand



CalSTRS.com Redesign

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

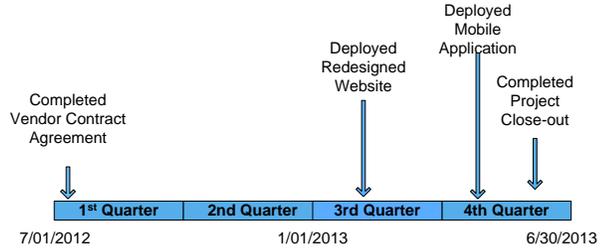
Period Ending June 30, 2013:

- Launched the mobile website application.
- Completed project close-out activities.

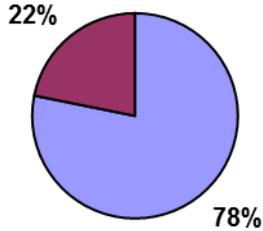
Planned Deliverables by September 30, 2013:

- Project complete.

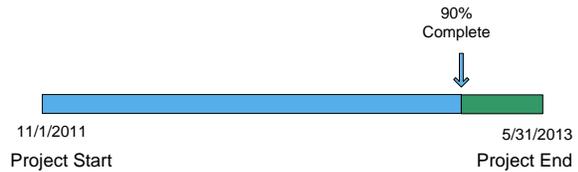
Major Fiscal Year 2012/2013 Milestones



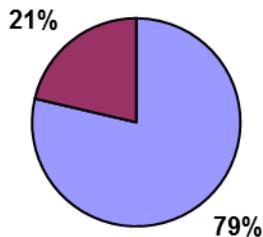
2012/2013 Project Budget \$826 Thousand



Project Schedule Status Timeline



Total Project Budget \$845 Thousand



GASB 67/68

This project scope includes only the small portion of GASB 67/68 work effort related to the required, BusinessDirect system changes.

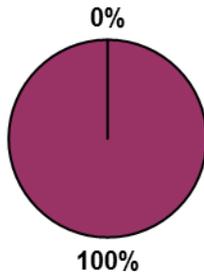
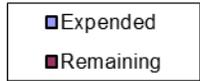
Period Ending June 30, 2013:

- Received Enterprise Program Investment Council (EPIC) approval for funding to support the vendor provided BusinessDirect system changes required for GASB 67/68.

Planned Deliverables by September 30, 2013:

- Request Enterprise Program Investment Council (EPIC) approval to initiate the GASB 67/68 project.

2012/2013 Project Budget
\$488 Thousand



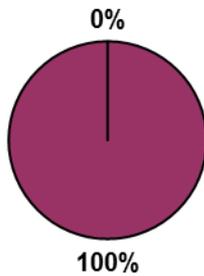
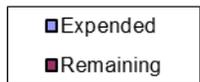
Major Fiscal Year 2012/2013 Milestones

Project On Hold

Project Schedule Status Timeline

Project On Hold

Total Project Budget
\$488 Thousand



Project Name	Purpose	Accomplishments
--------------	---------	-----------------

Omnibus Bill

The Omnibus project implemented 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 June 30, 2013:

- Project complete.

Planned Deliverables by September 30, 2013:

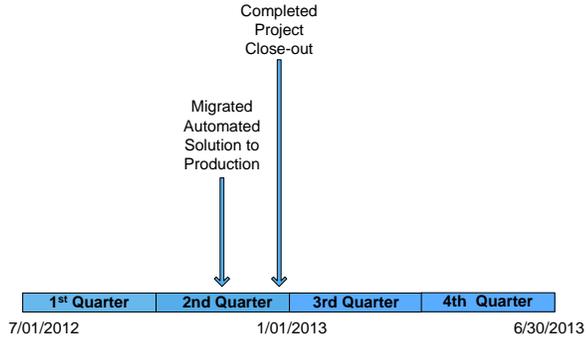
- None.

Total Project Cost: Project was completed within budget.

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

Major Fiscal Year 2012/2013 Milestones

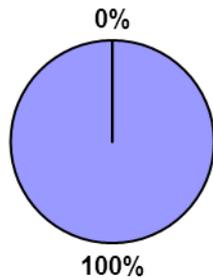
2012/2013 Project Budget
No Budget



Project Schedule Status Timeline

Total Project Budget
\$66 Thousand

- Expended
- Remaining



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 June 30, 2013:

- Project complete.

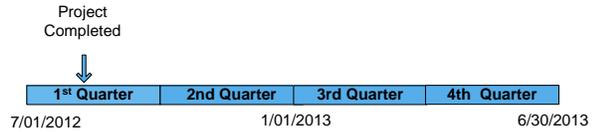
Planned Deliverables by September 30, 2013:

- Project complete

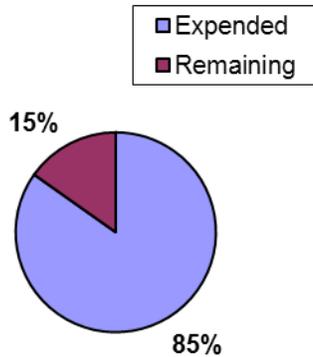
Total Project Cost: Project was completed under budget.

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

Major Fiscal Year 2012/2013 Milestones



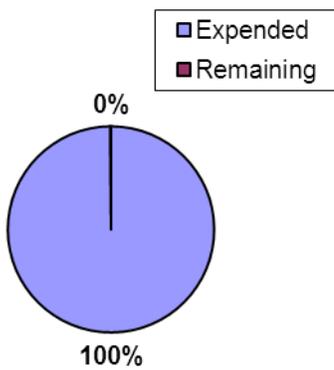
2012/2013 Project Budget \$62 Thousand



Project Schedule Status Timeline



Total Project Budget \$11.1 Million



Project Name	Purpose	Accomplishments
--------------	---------	-----------------

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.

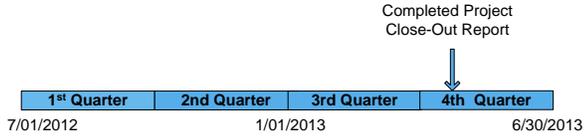
Period Ending June 30, 2013:

- None.

Planned Deliverables by September 30, 2013:

- Complete project close-out report.

Major Fiscal Year 2012/2013 Milestones

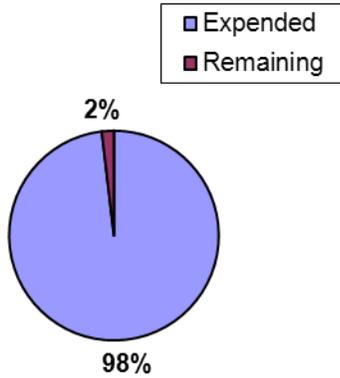


Project Schedule Status Timeline



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.

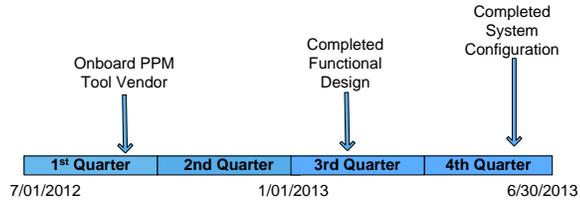
Period Ending June 30, 2013:

- Completed system document review and approval.
- Completed system configuration and approval.
- Initiated high level user system/ process walk-through sessions.
- Received Enterprise Program Investment Council (EPIC) approval to extend the schedule by seven months to December 2013 and increase the budget to support the BusinessDirect changes to support interfaces with the tool.

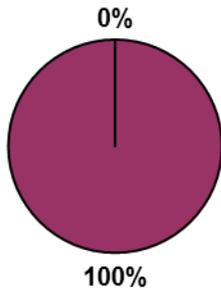
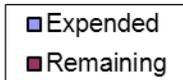
Planned Deliverables by September 30, 2013:

- Complete high level user system/ process walk-through sessions.
- Complete user acceptance testing.

Major Fiscal Year 2012/2013 Milestones



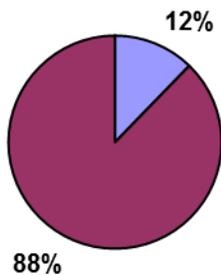
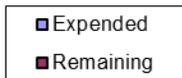
2012/2013 Project Budget \$513 Thousand



Project Schedule Status Timeline



Total Project Budget \$585 Thousand



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 June 30, 2013:

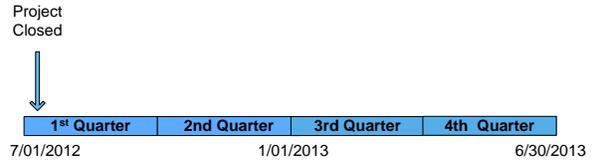
- Project complete.

Planned Deliverables by September 30, 2013:

- None.

Note: Project was stopped before the full scope of work was completed.

Major Fiscal Year 2012/2013 Milestones



2012/2013 Project Budget
No Budget

Project Schedule Status Timeline



Total Project Budget
\$22 Thousand

