
CALSTRS

Enterprise Technology Projects Fiscal Year 2012/2013 Third Quarter Report

Enterprise Technology Projects

Fiscal Year 2012/2013 – Third 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.

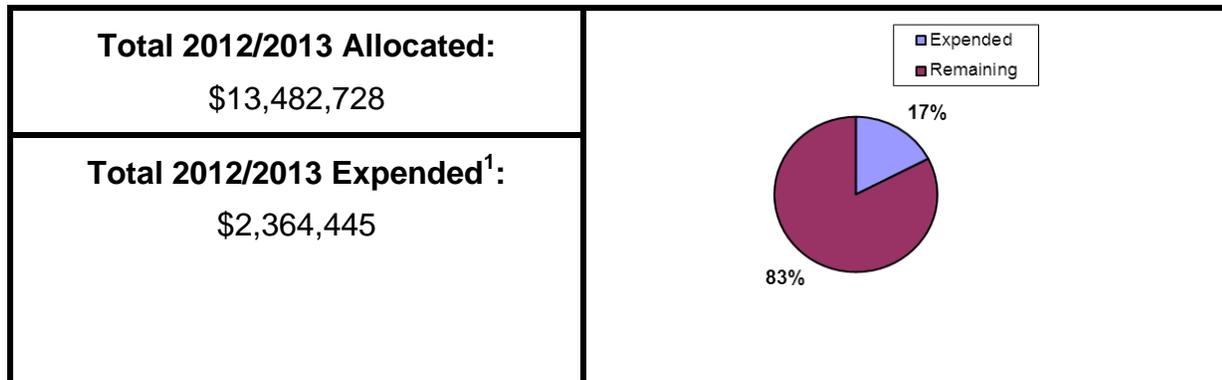
The Project Management Office (PMO) monitors and reports on the EPIC Technology Projects Budget and enterprise technology projects monthly to EPIC and quarterly to the Teachers' Retirement Board.

Enterprise Program Investment Council Members

Jack Ehnes Chief Executive Officer	Cassandra Lichnock Chief Operating 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	Brian Bartow General Counsel
Ray Greenhouse Acting Deputy Chief Executive Officer Technology Services	Tracy Scribner Acting Chief Technology Officer

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

As of March 31, 2013



¹ We are currently unable to confirm actual project expenditures from BusinessDirect during the system stabilization period, thus we are unable to provide accurate project expenditure information in the 3rd Quarter Enterprise Technology Projects Board Report. As a result, the pie charts have not been updated and we modified the language to footnote 2 of the project summary page of the report (page 3).

Enterprise Technology Projects Fiscal Year 2012/2013 – Third Quarter

Project Name	Duration	Project Total ¹	2012/2013 Budget	2012/2013 ² Expended	Schedule	Budget
Actuarial Valuation	Apr 08 – Aug 12	\$1,720,777	\$0	\$0	☺	☺
Actuarial Valuation Detailed Procedures Report	Jul 12 - Dec 12	\$181,000	\$181,000	\$71,198	☺	☺
AB 340 Pension Reform	Oct 12 – May 13	\$34,675	\$34,675	\$24,059	⚠ ³	●
Annual Update	Jul 12 – Jun 13	\$0	\$0	\$0	●	●
BusinessRenew						
Corporate Accounting & Resource Management ⁴	Jan 11 – Aug 13	\$19,061,641	\$2,875,000 ⁴	\$256,633 ⁴	⚠ ⁵	●
Data Preparation	Nov 11 – Jun 14	\$6,001,428	\$1,988,599	\$294,982	●	●
Enterprise Information Management	Feb 13 – Jun 13	\$422,000	\$422,000	\$0	⚠ ⁶	●
Independent Project Oversight	Sep 11 – Oct 19	\$6,454,412	\$1,105,098	\$247,880	●	●
Pension Solution	Dec 10 – Jun 14	\$6,961,813 ⁷	\$3,147,631	\$1,015,687	●	●
Program	Jan 11 – Jun 14	\$2,937,745	\$1,146,745	\$61,556	⚠ ⁸	●
Requirements Management	Aug 11 – Jan 14	\$620,500	\$431,250	\$0	⚠ ⁹	●
CalSTRS.com Redesign	Nov 11 – May 13	\$844,815	\$825,600	\$339,750	●	●
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 – May 13	\$334,705	\$263,000	\$0	⚠ ¹⁰	●
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 Budget¹¹: \$18.5 million		Total 2012/2013 Allocated: \$13,482,728		Total 2012/2013 Expended: \$2,364,445		
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 – Due to stabilization and data reconciliation work being performed with the new BusinessDirect system, actual project expenses are not available for the 3rd quarter period.

³ AB 340 Pension Reform - schedule slippage due to needing additional time to address and resolve an unanticipated issue

⁴ 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.

⁵ BusinessRenew Corporate Accounting & Resource Management - schedule slippage due to delays in launching Release 1 and impacting the planned date for Release 2.

⁶ BusinessRenew Enterprise Information Management -schedule delay due to the addition of activities for stakeholder acceptance

⁷ BusinessRenew Pension Solution – amount includes funds for project phases beyond the defined discovery and requirements phases

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 Priority Management Project Portfolio Management Tool – schedule slippage due to delays in the configuration and documentation finalization processes.

¹¹ 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.

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 March 31, 2013:

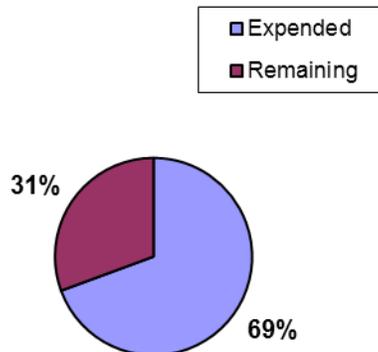
- Received Enterprise Program Investment Council (EPIC) approval to conduct a discovery for the long-term changes.
- Implemented Phase 2, the functionality to limit to post-retirement benefits; display the new retirement formula on additional screens and add the new formula to the accounting system interface.
- Continued updates to member communication publications and directives to reflect AB 340 changes.
- Commenced Phase 2.1, the functionality to prevent a benefit stream from authorizing if under the new retirement formula, unless a specific override has been applied.
- Commenced Discovery efforts for remaining nine (9) identified items affected by AB 340
- Conducted special Employer Advisory Committee meeting.

Planned Deliverables by June 30, 2013:

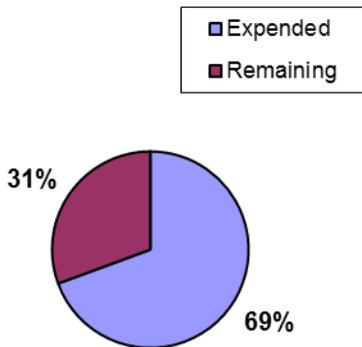
- Implement Phase 2.1 functionality to prevent a benefit stream from authorizing if under the new retirement formula, unless a specific override has been applied.
- Complete Discovery document for remaining nine (9) identified items affected by AB 340.
- Continue updates to publications and directives.
- Provide information at the Employer Advisory Committee meeting.
- Request Enterprise Investment Council (EPIC) approval to extend the schedule by two months to July 2013.

Schedule Warning: Project is at risk of schedule slippage due to an issue that required an Executive decision and the unanticipated associated work as a result of the decision.

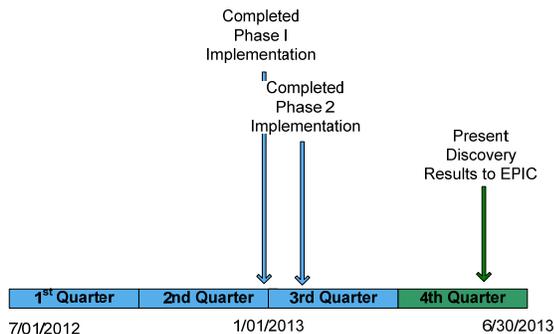
2012/2013 Project Budget
\$35 Thousand



Total Project Budget
\$35 Thousand



Major Fiscal Year 2012/2013 Milestones



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.

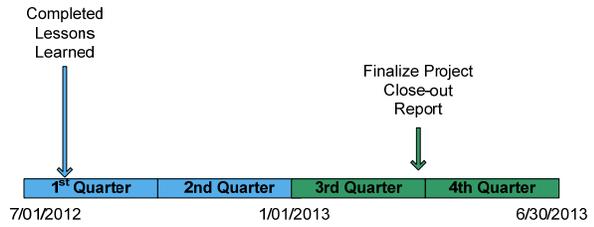
Period Ending March 31, 2013:

- Continued project close-out report review.

Planned Deliverables by June 30, 2013:

- Finalize project close-out report.

Major Fiscal Year 2012/2013 Milestones

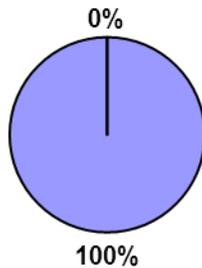
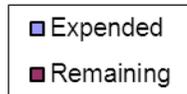


2012/2013 Project Budget
No Budget

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 March 31, 2013:

- Completed final detailed procedures report.

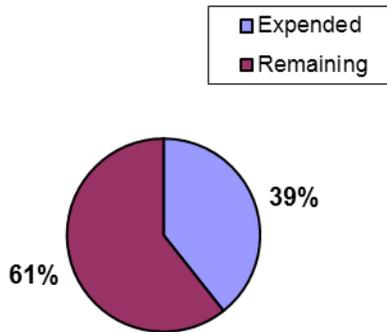
Planned Deliverables by June 30, 2013:

- Project complete.

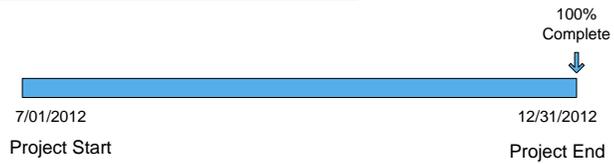
Major Fiscal Year 2012/2013 Milestones



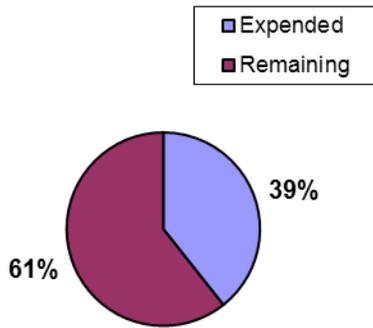
**2012/2013 Project Budget
\$ 181 Thousand**



Project Schedule Status Timeline



**Total Project Budget
\$ 181 Thousand**



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).

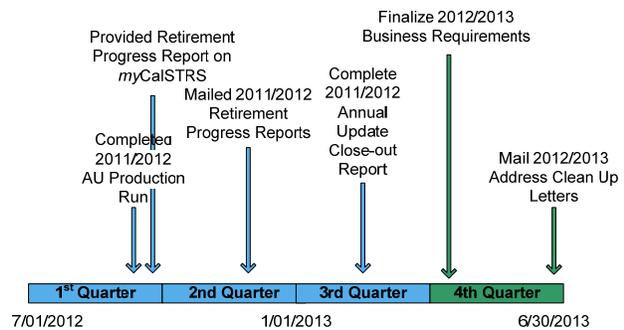
Period Ending March 31, 2013:

- Completed the 2011/2012 Annual Update close-out report.
- Initiated the 2012/2013 Project kick-off.
- Finalized the 2012/2013 Project Charter, Schedule and Risk Log.
- Continue documenting business requirements for 2012/2013 enhancements.
- Completed the business requirements, functional and technical specifications associated with print vendor.

Planned Deliverables by June 30, 2013:

- Finalize 2012/2013 business requirements.
- Complete the development of 2012/2013 Annual Update enhancements.
- Complete code and unit test in preparation for System Integration Testing (SIT).
- Finalize the server refresh contingency plan for full test runs on CalSTRS servers.
- Submit initial test data to print vendor.
- Mail 2012/2013 Address Clean Up letters.

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 March 31, 2013:

- Completed implementation activities for the core functionality of accounting, budgeting and procurement.
 - Completed Integration Testing (Including User Acceptance Testing)
 - Completed core Data Conversion activities
 - Completed training materials and core training sessions
 - Performed cut-over activities
 - Implemented system functionality.
- Initiated Phase 1.5 activities to include year-end closing reports and other functionality.
- Initiated activities to migrate the Development, Test and Training systems to a different network for increased security.

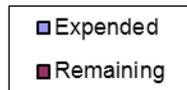
Planned Deliverables by June 30, 2013:

- Complete the Release 1.0 phase lessons learned and close-out activities.
- Complete Release 1.5 configuration and custom object development and associated testing activities.
- Complete migration of development, test and training systems to a separate network for increased security.
- Initiate Release 2 planning and Blueprint activities to support cost accounting, project accounting and activity based costing.

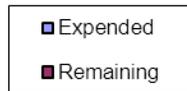
⚠ Schedule Warning: Project is at risk of schedule slippage due to delays in launching Release 1 and impacting the planned date for Release 2 which includes cost accounting, project accounting and activity based costing.

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.

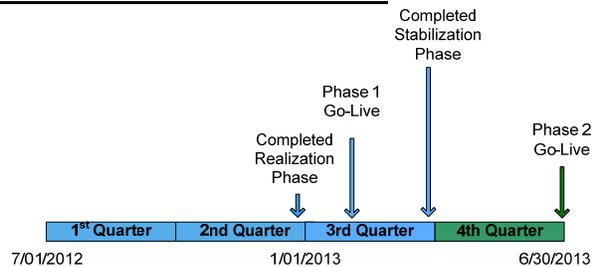
2012/2013 Project Budget \$2.9 Million



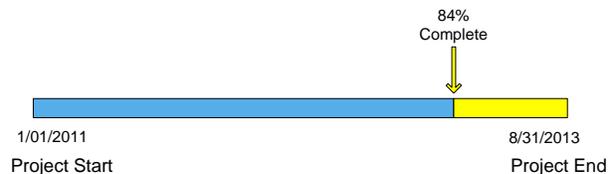
Total Project Budget \$19 Million



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.

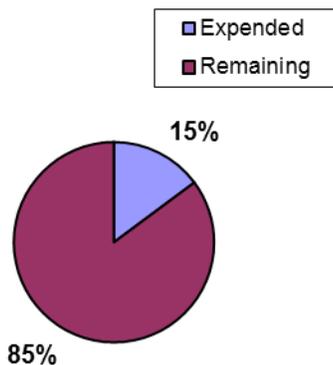
Period Ending March 31, 2013:

- Delivered the Complete Account Review and Evaluation (CARE) team's progress report, for the quarter ending December 31, 2012 to the Enterprise Program Investment Council (EPIC).
- Commenced work with Data Analysis Services vendor.
- Developed project schedule and staffing plan.
- Developed Data Analysis approach.
- Received approval and decommissioned retired corporate database.
- Received EPIC approval to remove Enterprise Information Management scope from Data Preparation Project and initiated as a separate BusinessRenew discovery effort.

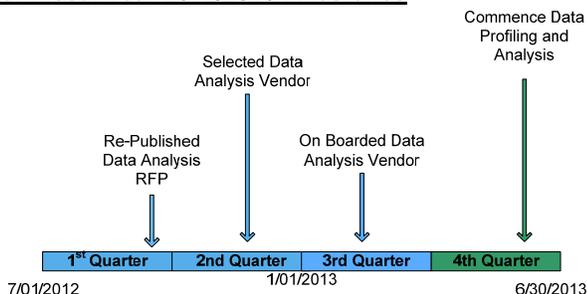
Planned Deliverables by June 30, 2013:

- Create updated baseline project schedule.
- Commence data profiling and analysis activities.

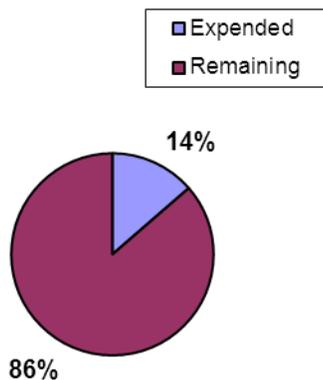
2012/2013 Project Budget \$2 Million



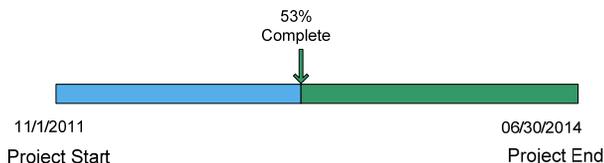
Major Fiscal Year 2012/2013 Milestones



Total Project Budget \$6.0 Million



Project Schedule Status Timeline



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 March 31, 2013:

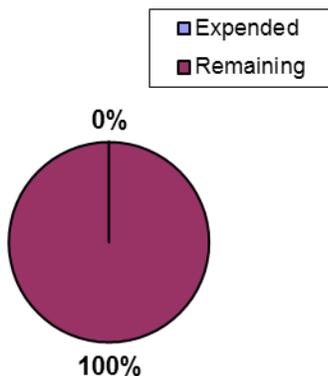
- Initiated Enterprise Information Management (EIM) as a separate discovery from the Data Preparation Discovery.
- Selected and on-boarded Enterprise Information Management vendor.
- Finalized project schedule and staffing plan deliverable.

Planned Deliverables by June 30, 2013:

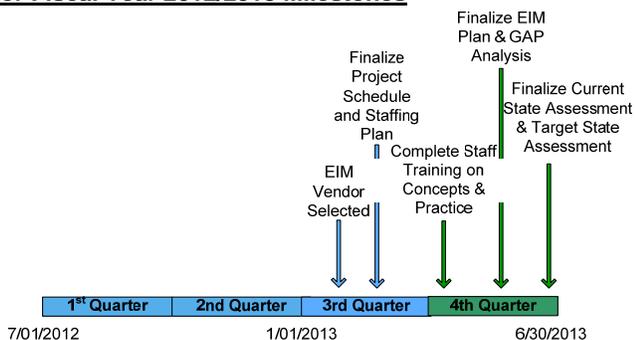
- Complete staff training on concepts and practice.
- Finalize current state and target state assessments.
- Finalize the GAP analysis, the long-term plan and roadmap.
- Request Enterprise Program Investment Council (EPIC) approval to extend the project schedule to August 2013.

⚠ Schedule Warning: The project is behind schedule due to the addition of activities for stakeholder acceptance.

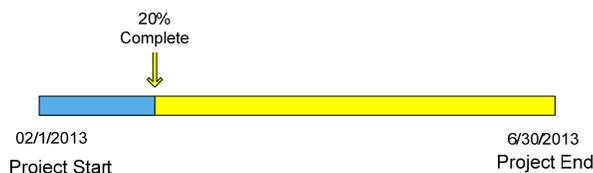
2012/2013 Project Budget
\$422 Thousand



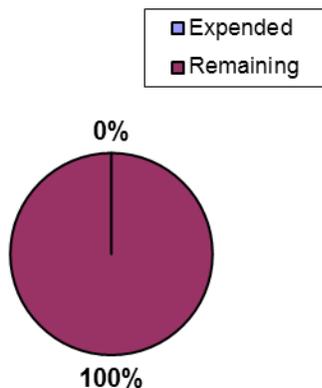
Major Fiscal Year 2012/2013 Milestones



Project Schedule Status Timeline



Total Project Budget
\$422 Thousand



Project Name	Purpose	Accomplishments
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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.

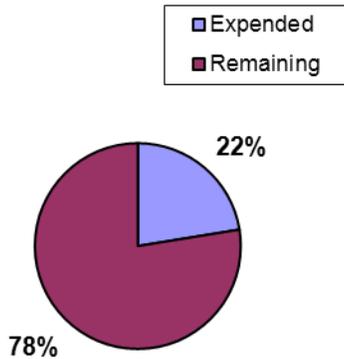
Period Ending March 31, 2013:

- Completed monthly comprehensive status reports for Corporate Accounting and Resource Management, Pension Solution, Data Preparation and the initial monthly report for Enterprise Information Management.
- Reviewed and provided feedback on Corporate Accounting, Resource Management, Pension Solution, and Data Preparation 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.

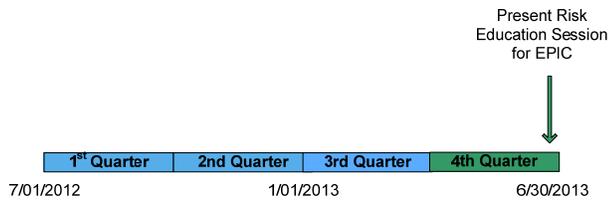
Planned Deliverables by June 30, 2013:

- Complete comprehensive monthly status reports for Corporate Accounting and Resource Management, 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 Risk Education session to the Enterprise Program Investment Council (EPIC).

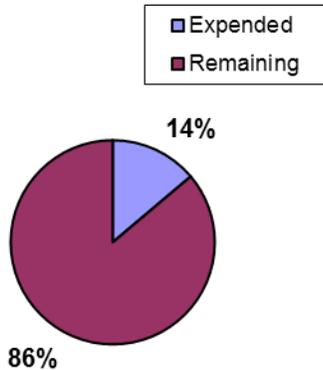
**2012/2013 Project Budget
\$1.1 Million**



Major Fiscal Year 2012/2013 Milestones



**Total Project Budget
\$6.5 Million**



Project Schedule Status Timeline



Project Name

Accomplishments

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 developing the procurement document.

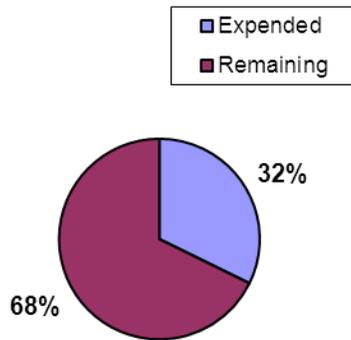
Period Ending March 31, 2013:

- Finalized the Market Research Vendor Presentation Summary Report.
- Completed the requirements gathering sessions with the business area Subject Matter Experts.
- Finalized business requirements.
- Published the Request for Information for Pension Solution vendor services.
- Planned and began conducting the Readiness Assessment with Benefit and Services staff.
- Completed the Technology Services (TS) small group discussions as part of the TS engagement strategy.

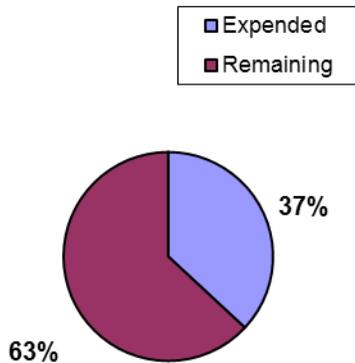
Planned Deliverables by June 30, 2013:

- Finalize the Request for Information Results Report.
- Complete the non-functional requirements documentation for the Pension Solution Request for Proposal.
- Complete the Benefits and Services staff Readiness Assessments.
- Complete the final Request for Proposal components.

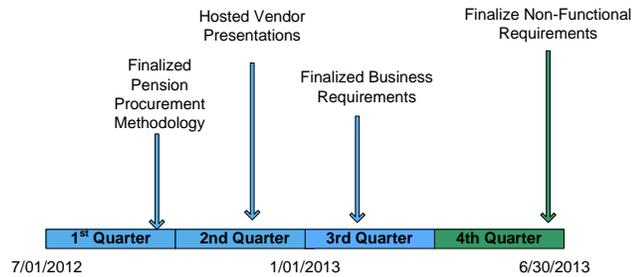
**2012/2013 Project Budget
\$3.1 Million**



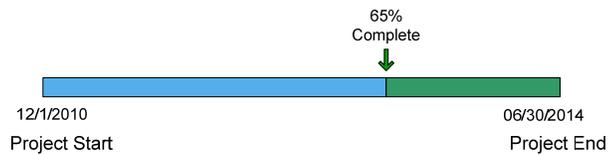
**Total Project Budget
\$7 Million**



Major Fiscal Year 2012/2013 Milestones



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 March 31, 2013:

- Provided on-going communications and cultural change management support for large BusinessRenew projects (Corporate Accounting and Resource Management, Pension Solution, Data Preparation and Enterprise Information Management).
- Provided BusinessRenew Program risk management.

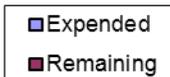
Planned Deliverables by June 30, 2013:

- Provide on-going communications and cultural change management support for large BusinessRenew projects (Corporate Accounting and Resource Management, Pension Solution, Data Preparation and Enterprise Information Management).
- Provide ongoing BusinessRenew Program risk management.
- Hire additional program resources.

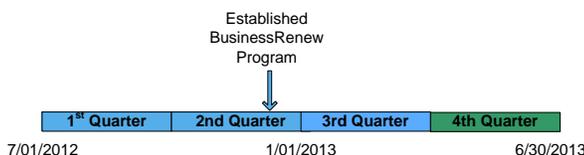
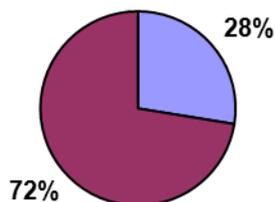
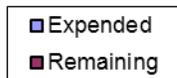
⚠ Schedule Warning: The program is behind schedule due to delays in hiring program resources.

Major Fiscal Year 2012/2013 Milestones

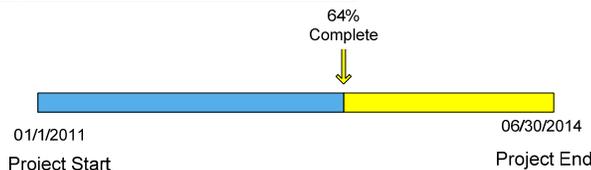
2012/2013 Project Budget
\$1.1 Million



Total Project Budget
\$2.9 Million



Project Schedule Status Timeline



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 March 31, 2013:

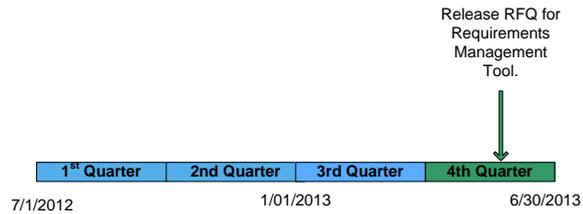
- Obtained resources for communications and change management support.
- Developed structure for categorizing requirements.

Planned Deliverables by June 30, 2013:

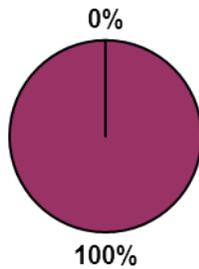
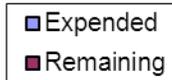
- Release Request for Quote (RFQ) to procure CalSTRS Requirements Management tool
- Complete CalSTRS plan for managing business and system requirements.

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

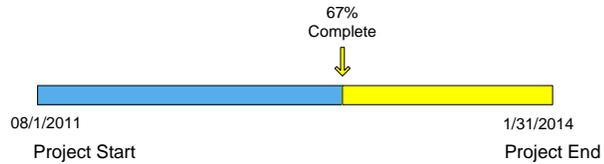
Major Fiscal Year 2012/2013 Milestones



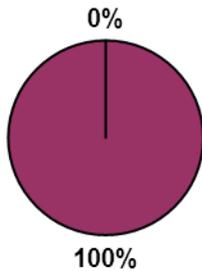
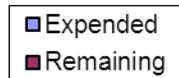
2012/2013 Project Budget
\$431 Thousand



Project Schedule Status Timeline



Total Project Budget
\$620 Thousand



CalSTRS.com Redesign

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

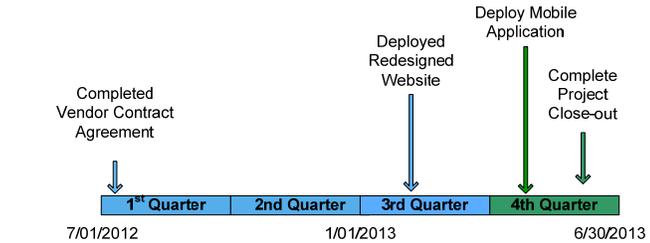
Period Ending March 31, 2013:

- Completed testing and web standard checks.
- Completed training and program transition efforts.
- Deployed the newly redesigned CalSTRS.com website.
- Initiated design and development of the CalSTRS.com mobile website.

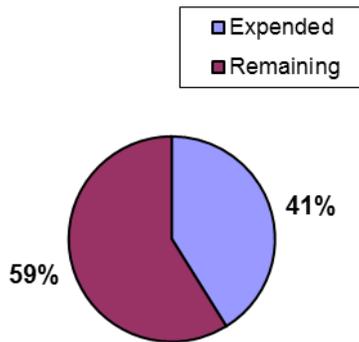
Planned Deliverables by June 30, 2013:

- Deploy CalSTRS.com mobile website.
- Complete project close-out activities.

Major Fiscal Year 2012/2013 Milestones



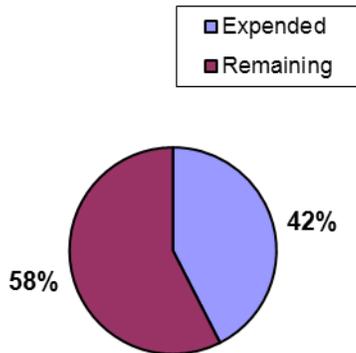
2012/2013 Project Budget \$826 Thousand



Project Schedule Status Timeline



Total Project Budget \$845 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 March 31, 2013:

- Project complete.

Planned Deliverables by June 30, 2013:

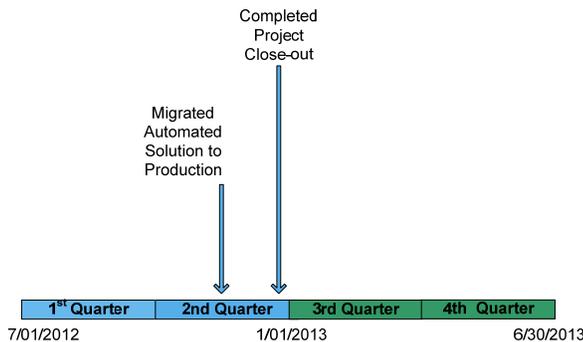
- None.

Total Project Cost: Project was completed within budget.

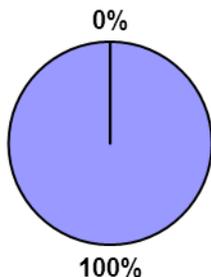
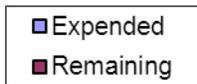
Schedule and scope: Project was completed within the approved schedule and scope.

Major Fiscal Year 2012/2013 Milestones

2012/2013 Project Budget
No Budget



Total Project Budget
\$66 Thousand



Project Schedule Status Timeline



Project Name	Purpose	Accomplishments
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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 March 31, 2013:

- Project complete.

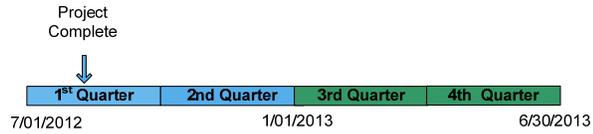
Planned Deliverables by June 30, 2013:

- None.

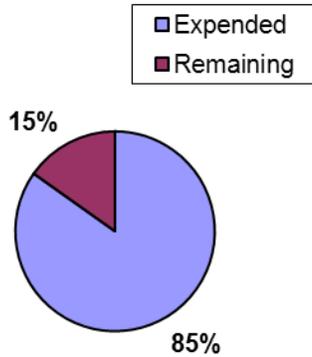
Total Project Cost: Project was completed under budget.

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

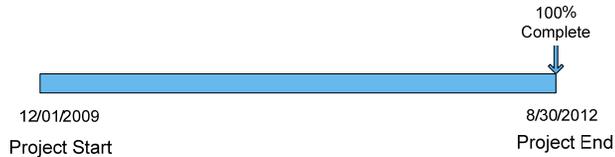
Major Fiscal Year 2012/2013 Milestones



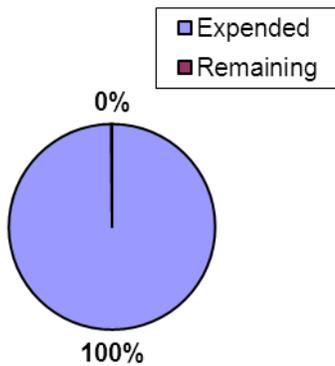
2012/2013 Project Budget
\$62 Thousand



Project Schedule Status Timeline



Total Project Budget
\$11.1 Million



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.

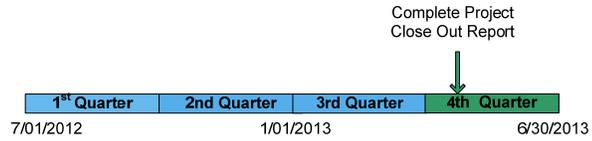
Period Ending March 31, 2013:

- None.

Planned Deliverables by June 30, 2013:

- Complete project close-out report.

Major Fiscal Year 2012/2013 Milestones

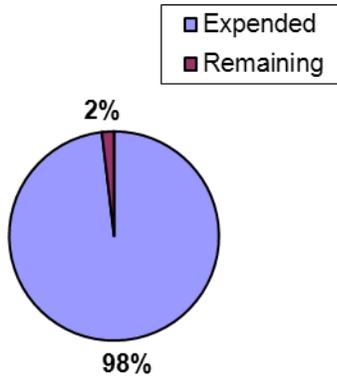


Project Schedule Status Timeline



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.

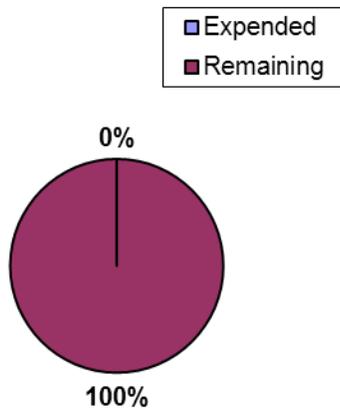
Period Ending March 31, 2013:

- Continued reviewing and updating system documentation.
- Continued reviewing Solution Test Plan and developing Use Cases for testing.
- Continued developing a consolidated schedule that includes vendor and CalSTRS tasks.
- Continued work on system configurations to support business requirements.

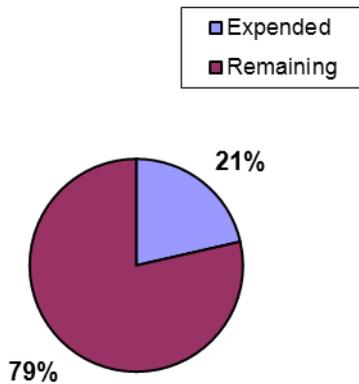
Planned Deliverables by June 30, 2013:

- Complete system document review and approval.
- Complete system configuration and approval.
- Request Enterprise Program Investment Council (EPIC) approval to extend the project schedule to address the delays and increase scope and budget to support the interfaces between the tool and BusinessDirect.

2012/2013 Project Budget
\$263 Thousand

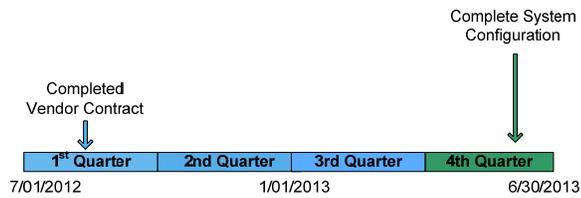


Total Project Budget
\$335 Thousand



⚠ Schedule Warning: The project is behind schedule due to delays in the configuration and documentation finalization processes.

Major Fiscal Year 2012/2013 Milestones



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 March 31, 2013:

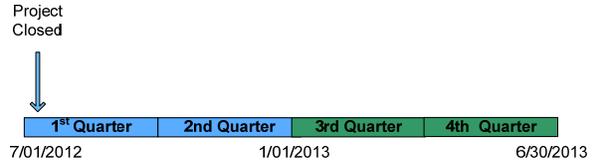
- Project complete.

Planned Deliverables by June 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

