
CALSTRS

Enterprise Technology Projects Fiscal Year 2013/2014 First Quarter Report

Enterprise Projects

Fiscal Year 2013/2014 – First 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. An additional \$4.4 million, not expended during fiscal year 2012/2013, is available for two additional years for new or existing projects as a result of the new appropriation that began in fiscal year 2012/2013.

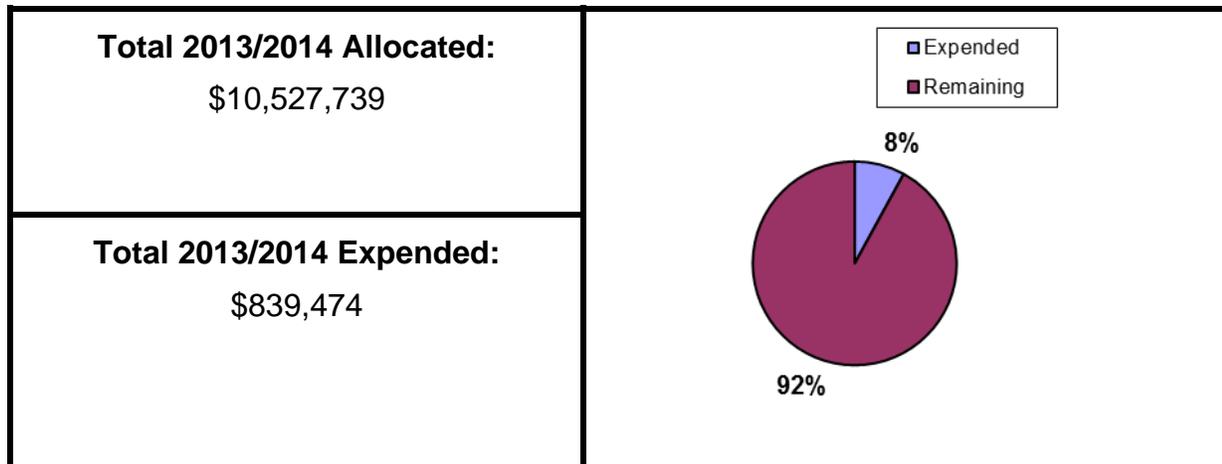
The Project Management Office (PMO) monitors and reports on the EPIC Technology Projects Budget and enterprise technology projects monthly to EPIC and quarterly to the Teachers' Retirement Board.

Enterprise Program Investment Council Members

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

Total Enterprise Technology Projects' 2013/2014 Budget: \$18.5 Million

As of September 30, 2013



Enterprise Technology Projects Fiscal Year 2013/2014 – First Quarter

Project Name	Duration	Project Total ¹	2013/2014 Budget	2013/2014 Expended	Schedule	Budget
AB 340 Pension Reform	Oct 12 – Jul 14	\$784,675	\$0	\$0	●	●
Annual Update	Jul 13 – Jun 14	\$0	\$0	\$0	●	●
BusinessRenew						
BusinessDirect ²	Jan 11 – Nov 13	\$20,405,503 ²	\$0	\$0	◻ ³	●
Data Preparation	Nov 11 – Aug 14	\$6,001,428	\$2,644,017	\$375,695	●	●
Enterprise Information Management	Feb 13 – June 15	\$577,000	\$155,000	\$0	●	●
Independent Project Oversight	Sep 11 – Oct 19	\$6,454,412	\$947,866	\$25,920	●	●
Pension Solution	Dec 10 – Feb 15	\$7,939,159	\$3,217,986	\$284,776	●	●
Program	Jan 11 – Jun 14	\$4,098,911	\$2,203,620	\$153,083	◻ ⁴	●
Requirements Management	Aug 11 – Jan 14	\$620,500	\$189,250	\$0	◻ ⁵	●
GASB 67/68	Oct 13 – Feb 14	\$695,000	\$170,000	\$0	✖	✖
Priority Management Project Portfolio Management Tool	Aug 11 – Dec 13	\$559,705	\$0	\$0	◻ ⁶	●
Project Risk Reserve	Ongoing	\$1,000,000	\$1,000,000	\$0	N/A	●
Total Enterprise Technology Projects' 2013/2014 Budget: \$18.5 million		Total 2013/2014 Allocated: \$10.527,739		Total 2013/2014 Expended: \$839,474		
Schedule & Budget Indicators:						
● Acceptable		◻ Warning		◆ Critical		☺ Complete
✖ Not Started						

¹ Project Total – amount represents the sum of the projects' prior years' actual expended amount, the 2012/2013, 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 vendor and CalSTRS resource issues.

⁴ BusinessRenew Program – schedule slippage due to delays in hiring program resources

⁵ BusinessRenew Requirements Management - schedule slippage due to delays in the tool procurement process

⁶ Priority Management Project Portfolio Management Tool – schedule slippage due to additional training and change management needs

⁷ 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 for each fiscal year. Funds in the amount of \$4.4 million, not expended during fiscal year 2012/13, are available for two additional years for new or existing projects.

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 September 30, 2013:

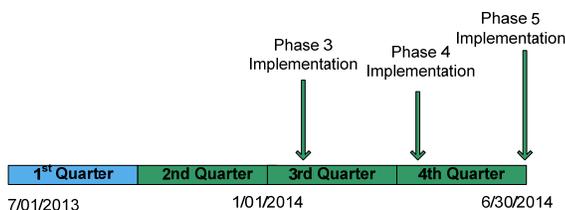
- Continued updates to member communication publications and directives to reflect AB 340 changes.
- Implemented Phase 2.1 functionality to prevent a benefit stream from authorizing if under the new retirement formula, unless a specific override has been applied.
- Finalized Discovery Results document and Enterprise Program Investment Council (EPIC) presentation material.
- Received EPIC approval for recommended implementation project.
- Commenced requirements development sessions for Phase 3 releases-Salary Cap, Service Credit Purchase and Business Direct Extracts (formerly Contribution Rates).
- Initiated development of manual processes to address the Felony Conviction piece of the legislation.

**2013/2014 Project Budget
No 2013/2014 Funding**

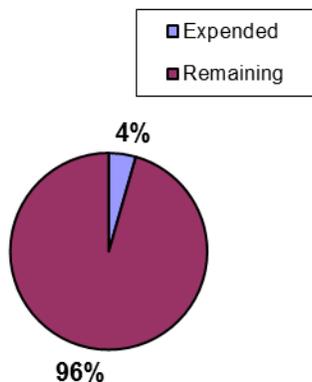
Planned Deliverables by December 31, 2013:

- Continue updates to publications and directives.
- Request additional information technology resources to support the project.
- Finalize requirements for Phase 3 releases-Salary Cap, Service Credit Purchase and Business Direct extracts.
- Begin developing the Phase 3 system enhancements.
- Complete development of workflow processes for Felony Conviction scope.
- Initiate procedures for all identified Felony Conviction manual processes.

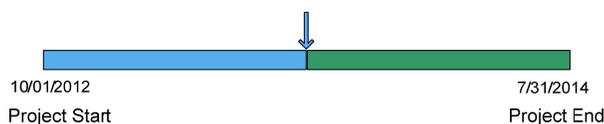
Major Fiscal Year 2013/2014 Milestones



**Total Project Budget
\$785 Thousand**



Project Schedule Status Timeline



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).

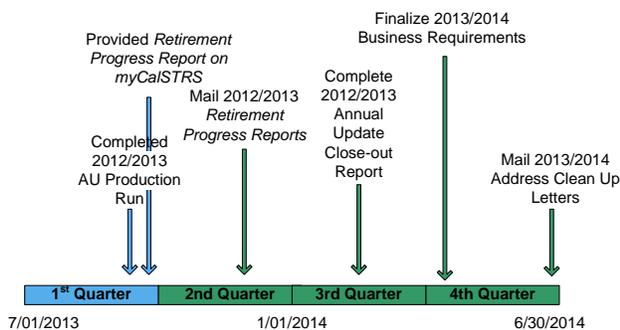
Period Ending September 30, 2013:

- Completed System Integration Testing (SIT) and User Acceptance Testing (UAT).
- Processed final employer reports for closing fiscal year end files in the corporate database.
- Completed Annual Update production run.
- Posted *Retirement Progress Reports* (RPR) on myCalSTRS.
- Completed data and press check with print vendor.
- Conducted Lessons Learned with internal staff.

Planned Deliverables by December 31, 2013:

- Provide *Retirement Progress Report* (RPR) samples at the Teachers' Retirement Board meeting.
- Mail *Retirement Progress Reports* (398,869) to members.
- Compile survey results from members who elected to receive an electronic *Retirement Progress Report* (RPR).
- Develop high level timelines for 2013/2014 Annual Update process.
- Conduct 2012/2013 Lessons Learned session with print vendor.

Major Fiscal Year 2013/2014 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 September 30, 2013:

- Continued with the Release 1.0 deliverables and lessons learned activities.
- Added a Change Management resource to address the remaining Change Management related deliverables.
- Continued the Release 1.5 configuration, custom object development, and associated testing activities.
- Migrated Quality Assurance (QA) and training systems to a separate network for increased security.
- Received Enterprise Program Investment Council (EPIC) approval to extend the Release 1.5 schedule through November 2013.
- Developed training approach to address identified training issues.

Planned Deliverables by December 31, 2013:

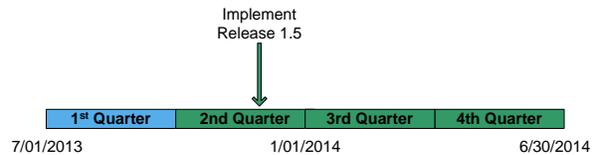
- Complete all remaining Release 1.0 deliverables and close-out activities.
- Complete all remaining Release 1.5 development, testing, implementation and deliverables.
- Pilot training under updated approach and develop and deploy additional training curriculum.

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

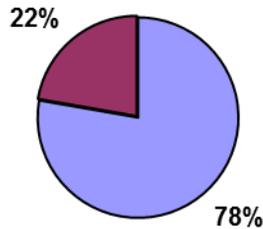
Note: Project is funded from FY2011/2012 Operating Budget one time funds and contingency funds and is utilizing Enterprise Program Investment Council (EPIC) funding for supplementing the base budget.

**2013/2014 Project Budget
No 2013/2014 Funding**

Major Fiscal Year 2013/2014 Milestones



**Total Project Budget
\$20 Million**



Project Schedule Status Timeline



**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.

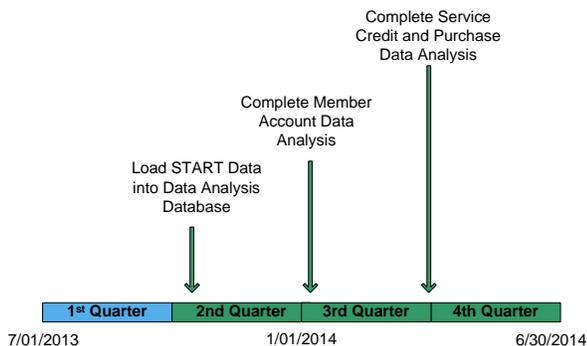
Period Ending September 30, 2013:

- Delivered the Complete Account Review and Evaluation (CARE) progress report, for the quarter ending September 30, 2013 to the Enterprise Program Investment Council (EPIC).
- Continued data profiling activities.
- Received Enterprise Program Investment Council (EPIC) approval to extend the project schedule end date through August 2014.
- Re-baselined project schedule and staffing plan.

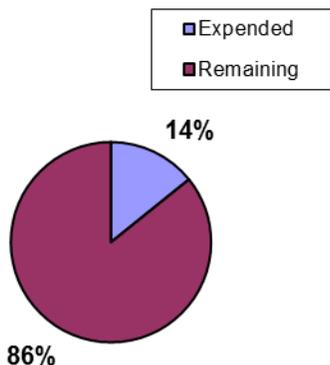
Planned Deliverables by December 31, 2013:

- Continue data profiling and data analysis activities.

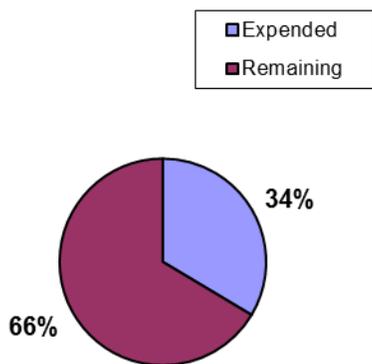
Major Fiscal Year 2013/2014 Milestones



**2013/2014 Project Budget
\$2.6 Million**



**Total Project Budget
\$6 Million**



Project Schedule Status Timeline



BusinessRenew Enterprise Information Management

The Renew Enterprise Information Management (EIM) project utilized the services of an experienced EIM vendor to capture enterprise data risks and opportunities, and develop a roadmap to achieve the EIM goals set. The program is now being launched within the General Counsel's Office.

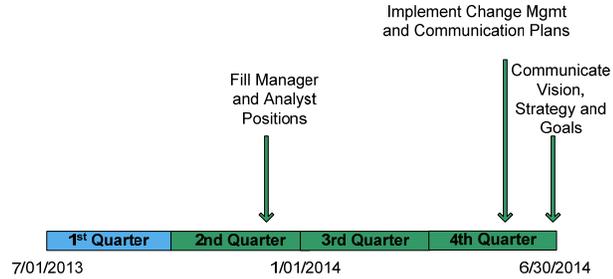
Period Ending September 30, 2013:

- Finalized Enterprise Information Management roadmap and business case.
- Presented findings to Executive Staff.
- Received Enterprise Program Investment Council (EPIC) approval to proceed with the roadmap recommendation to establish an Enterprise Information Management program within the General Counsel's Office.

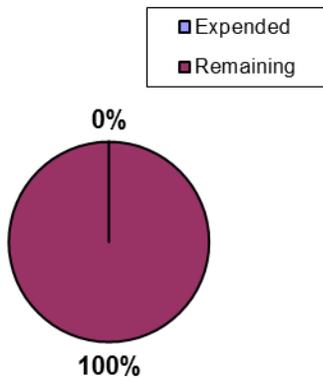
Planned Deliverables by December 31, 2013:

- Hire the two Enterprise Program Investment Council (EPIC) funded positions within the new Enterprise Information Management program.

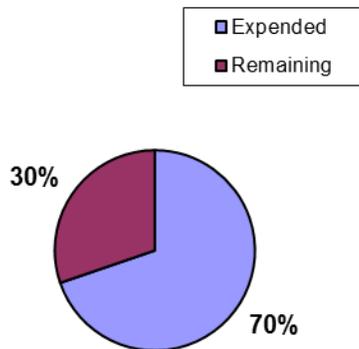
Major Fiscal Year 2013/2014 Milestones



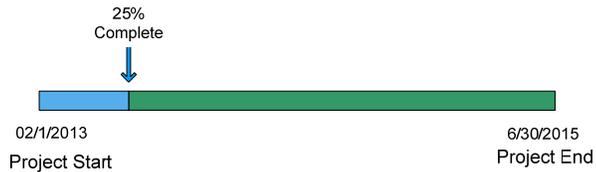
2013/2014 Project Budget \$155 Thousand



Total Project Budget \$577 Thousand



Project Schedule Status Timeline



BusinessRenew Independent Project Oversight

The BusinessRenew Independent Project Oversight delivers 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 on the progress of significant BusinessRenew projects, including risk management, project outcomes, and compliance with established governance and project management processes and best practices.

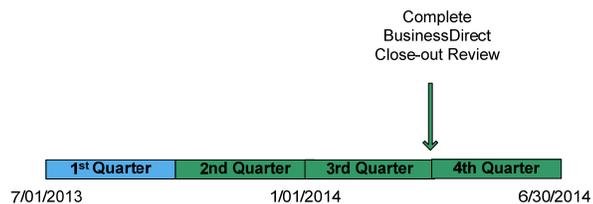
Period Ending September 30, 2013:

- 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 oversight and guidance on Pension Solution procurement project planning activities.
- Provided program level reporting to board.

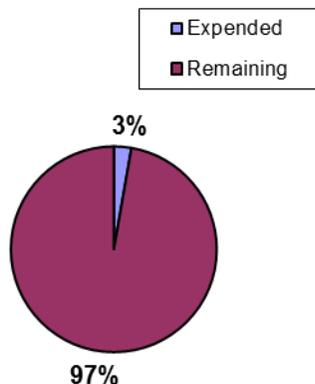
Planned Deliverables by December 31, 2013:

- Complete comprehensive monthly status reports for BusinessDirect, Pension Solution and Data Preparation.
- Review and provide feedback on BusinessDirect, Pension Solution, and Data Preparation project deliverables.
- Provide oversight and guidance on Pension Solution procurement project planning activities.
- Develop board presentations on BusinessRenew project status.

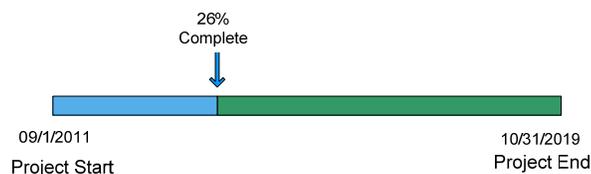
Major Fiscal Year 2013/2014 Milestones



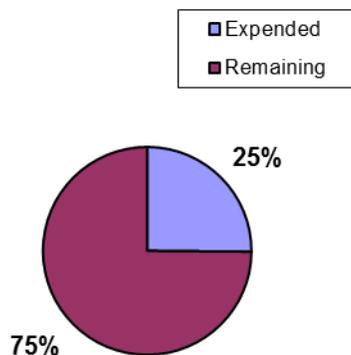
2013/2014 Project Budget \$950 Thousand



Project Schedule Status Timeline



Total Project Budget \$6.5 Million



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.

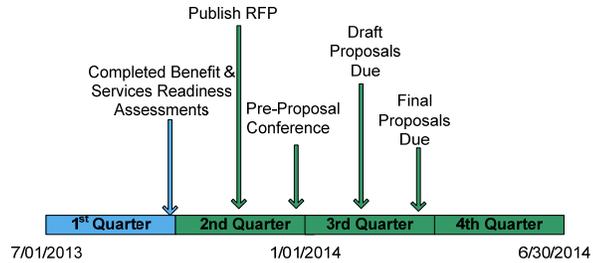
Period Ending September 30, 2013:

- Completed the Benefits and Services staff Readiness Assessments.
- Finalized the Pension Solution project schedule through contract award.
- Received Enterprise Program Investment Council (EPIC) approval to extend the project completion date through February 2015.

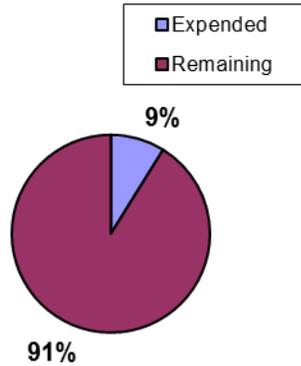
Planned Deliverables by December 31, 2013:

- Received stakeholder's final review of the Pension Solution Request for Proposal (RFP) prior to publication.
- Gain approval for the final Selection Criteria and Evaluation Methodology document.
- Publish the Pension Solution Request for Proposal.

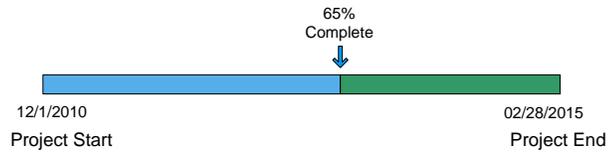
Major Fiscal Year 2013/2014 Milestones



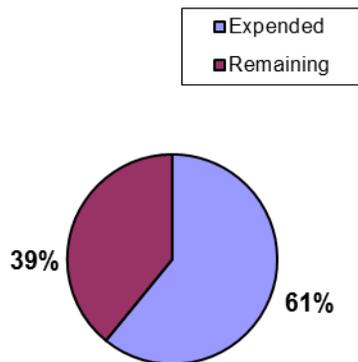
2013/2014 Project Budget \$3.2 Million



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 September 30, 2013:

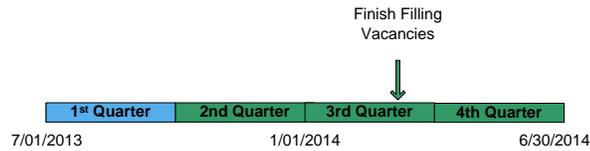
- Provided board overview and update on BusinessRenew program; including long term budget projections.
- Hired additional communications and cultural change management resources.
- Provided on-going communications and cultural change management support for large BusinessRenew projects (BusinessDirect,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

Planned Deliverables by December 31, 2013:

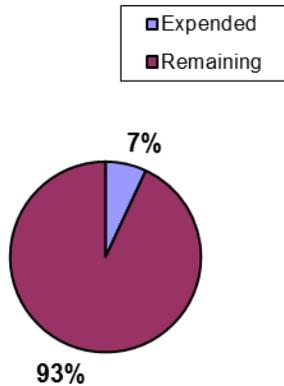
- Finalize program governance model and program plan.
- Provide on-going communications and cultural change management support for large BusinessRenew projects (BusinessDirect, Pension Solution, Data Preparation and Requirements Management).
- Provide ongoing BusinessRenew Program risk and issue management.
- Hire additional program resources.

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

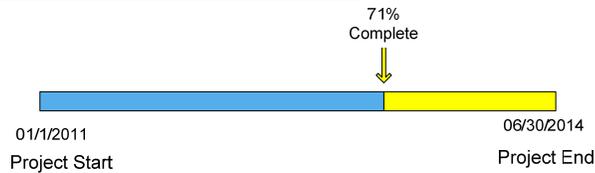
Major Fiscal Year 2013/2014 Milestones



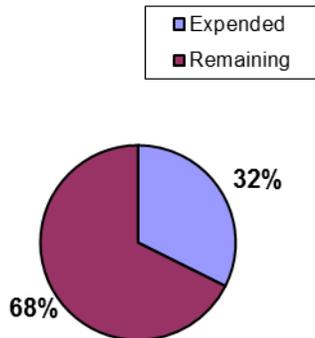
2013/2014 Project Budget \$2.2 Million



Project Schedule Status Timeline



Total Project Budget \$4.1 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 September 30, 2013:

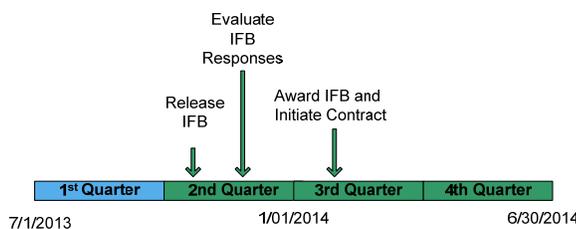
- Developed Invitation for Bid (IFB) to procure CalSTRS Requirements Management tool.
- Prepared and refined CalSTRS process for managing business and system requirements.
- Finalized the Requirements Management Plan.
- Finalized CalSTRS Requirements Management tool support and maintenance model.

Planned Deliverables by December 31, 2013:

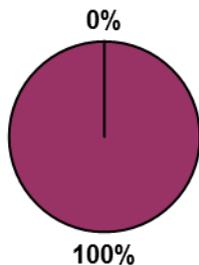
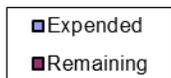
- Release Invitation for Bid (IFB) to procure CalSTRS Requirements Management tool.
- Evaluate responses to Requirements Management Tool IFB.
- Continue refinements to the Requirements Management plan and process.

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

Major Fiscal Year 2013/2014 Milestones



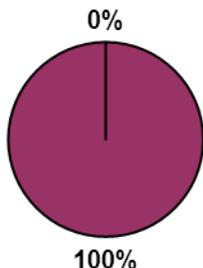
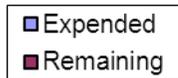
2013/2014 Project Budget \$190 Thousand



Project Schedule Status Timeline



Total Project Budget \$620 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 September 30, 2013:

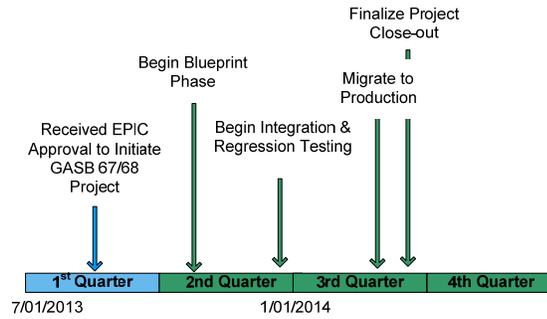
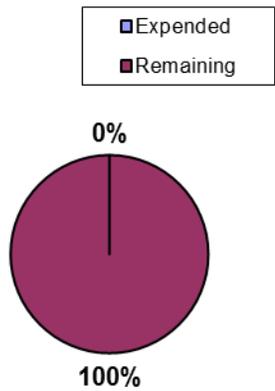
- Received Enterprise Program Investment Council (EPIC) approval to initiate the GASB 67/68 project with an October 2013 start date.

Planned Deliverables by December 31, 2013:

- Complete Blueprint (solution design) Phase for BusinessDirect changes.
- Commence Realization (configuration, development and testing) Phase.

Major Fiscal Year 2013/2014 Milestones

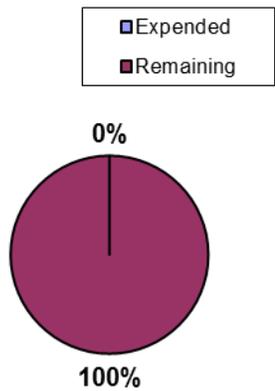
**2013/2014 Project Budget
\$170 Thousand**



Project Schedule Status Timeline

Scheduled Start Date of October 2013

**Total Project Budget
\$695 Thousand**



Project Name	Purpose	Accomplishments
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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, 2013:

- Completed high level user system and process walk-through sessions.
- Initiated user acceptance testing activities.

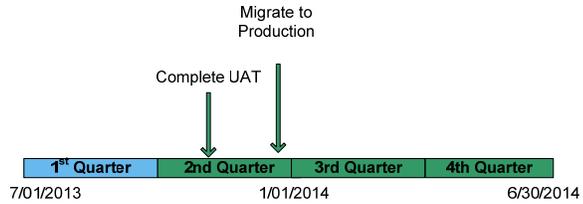
Planned Deliverables by December 31, 2013:

- Complete user acceptance testing.
- Complete technical documentation and knowledge transfer.
- Complete migration to production environment.

⚠ Schedule Warning: Project is behind schedule due to additional training and change management needs to support a successful implementation and mitigate risks to in progress projects.

Major Fiscal Year 2013/2014 Milestones

**2013/2014 Project Budget
No 2013/2014 Funding**



Project Schedule Status Timeline

**Total Project Budget
\$560 Thousand**

