



Enterprise Technology Projects

Fiscal Year 2014–15
Year End Report

Enterprise Technology Projects

Fiscal Year End 2014/2015

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 \$12 million, not expended during fiscal year 2013/2014 is available for use during fiscal year 2014/2015. As of the end of the fiscal year, of the \$30.5 million available, \$16 million has been obligated. As part of the Governor's 2014-15 Budget, an additional \$61.6 million was allocated specifically for the BusinessRenew Pension Solution Project of which \$51 million has been obligated.

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

Lisa Blatnick

Chief of Administrative Services

Ed Derman

Deputy Chief Executive Officer
Plan Design and Communication

Andrew Roth

Benefits and Services
Executive Officer

Chris Caietti

BusinessRenew Executive Officer

Ashish Jain

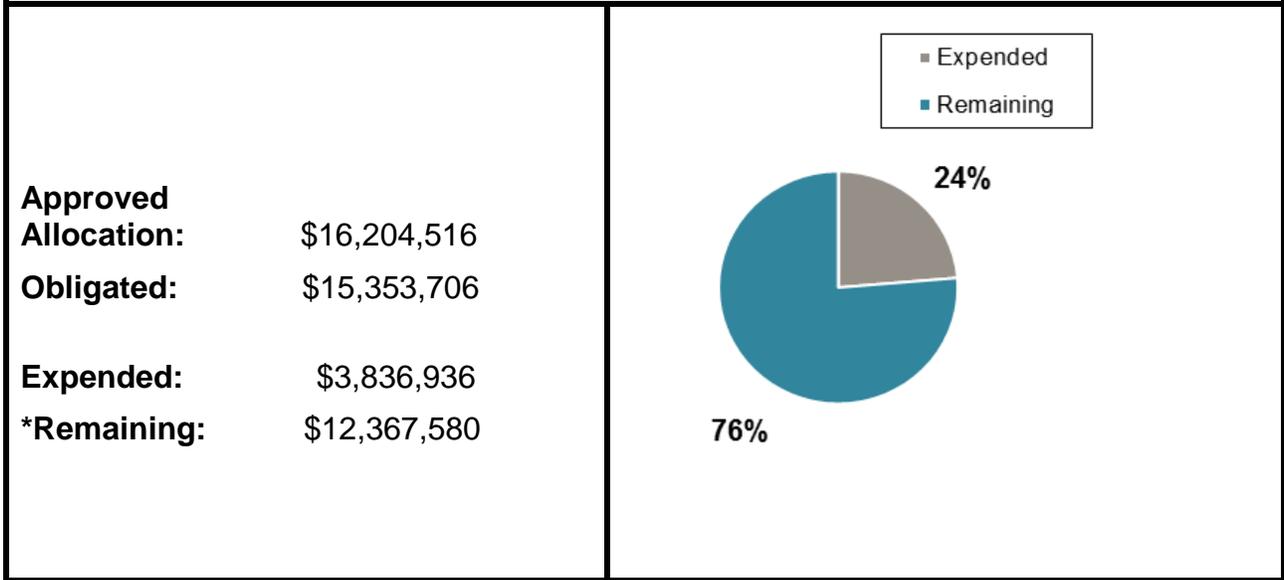
Chief Technology Officer

Enterprise Technology Projects

Fiscal Year End 2014/2015

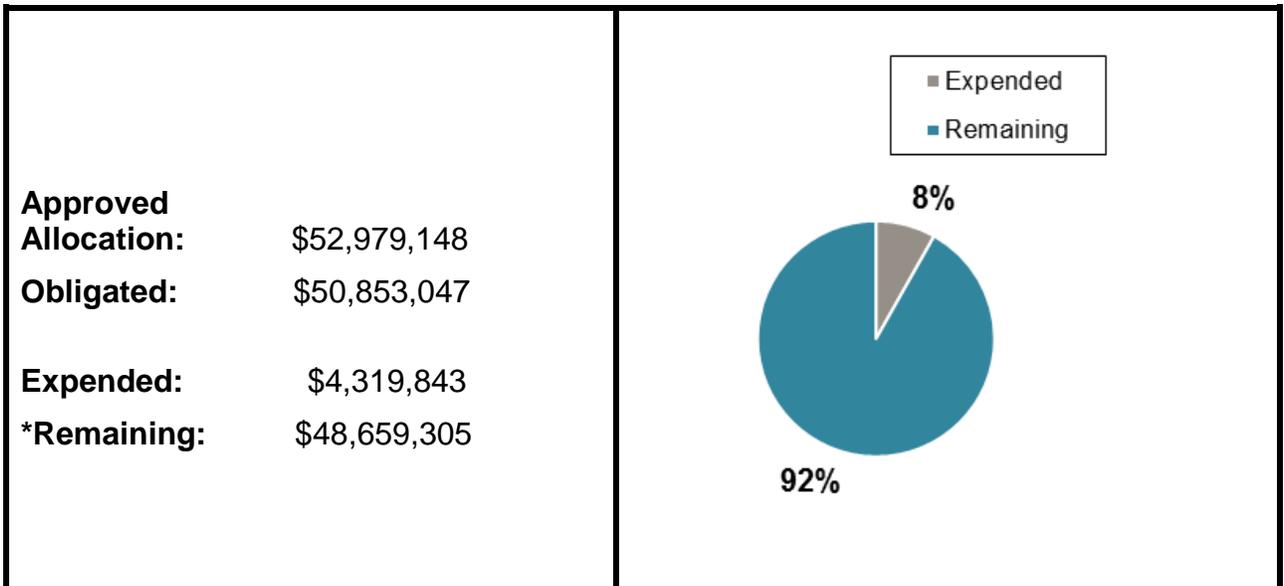
Enterprise Technology Projects' 2014/2015 Budget: \$30.5 Million

As of June 30, 2015



Total Enterprise Technology Pension Project 2014/2015 Budget: \$61.6 Million

As of June 30, 2015



*Remaining = Approved Allocation less Expended

Enterprise Technology Projects Fiscal Year 2014/2015

Project Name	Duration	Project Total ¹	2014/2015 Budget ²	2014/2015 Expended	Schedule	Budget
AB 340 Pension Reform	Oct 12 – Sep 14	\$784,675	\$0	\$0	☺	☺
Additional Earnings/Annuity Credit 2013	Jul 14 – Apr 17 ³	\$175,400	\$0	\$0	●	●
Annual Update	Jul 14 – Jun 15	\$0	\$0	\$0	●	●
Board Elections	Nov 14 – Mar 16	\$0	\$0	\$0	☺	☺
BusinessRenew						
Data Preparation	Nov 11 – Aug 15	\$7,585,226	\$2,476,272	\$1,743,318	⚠ ⁴	●
Enterprise Information Management	Feb 13 – Jun 15	\$811,422	\$396,000	\$247,832	☺	☺
Independent Project Oversight	Sep 11 – Oct 19	\$6,454,362	\$770,642	\$429,925	●	●
Pension Solution	Jul 14 - Sep 17	\$61,564,071 ⁵	\$52,979,148	\$4,319,843	●	●
Program	Jan 11 – Jun 15	\$6,673,679	\$2,816,368	\$1,975,956	●	●
Requirements Management	Aug 11 – Jun 16	\$1,149,084	\$539,967	\$441,739	●	●
Full Funding	July 14 – Oct 15	\$1,293,960	\$1,293,960	\$110,281	●	●
Pension Program Classification Study	Feb 14 – Nov 15	\$203,521	\$121,051	\$80,279	●	●
Priority Management - Project Portfolio Management Tool	Aug 11 – Apr 15	\$1,224,505	\$874,471	\$343,228	☺	☺
Schedule & Budget Indicators:	● Acceptable	⚠ Warning	◆ Critical	☺ Complete	✘ Not Started	

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

² 2014/2015 Budget – Amount represents the planned budget and may be comprised of funding sources representing multiple years.

³ Additional Earnings and Annuity Credits 2013 – includes funding for one position for one year following implementation.

⁴ BusinessRenew Data Preparation –at risk due to not being fully resourced and the challenges in bringing on resources

⁵ BusinessRenew Pension Solution – represents the first year of the Board approved \$213 million budget. Prior years' funding is not included.

AB 340 Pension Reform

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

Fiscal Year 2014/2015:

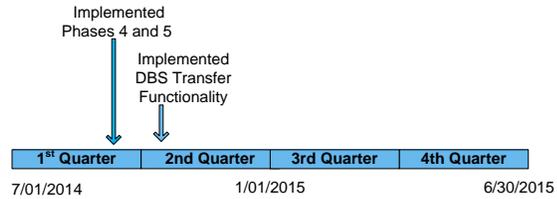
- Received Enterprise Program Investment Council (EPIC) approval to extend the schedule extension through September 2014 and increase the testing resource hours.
- Implemented the remaining miscellaneous CalSTRS corporate database changes for Phase 4.
- Implemented web changes for Phase 5 - Online Benefit Estimate Calculator and Online Permissive Service Credit Purchase Calculator.
- Implemented Defined Benefit Supplemental (DBS) transfer functionality.
- Completed project close-out report.

Planned Deliverables for Fiscal Year 2015/2016:

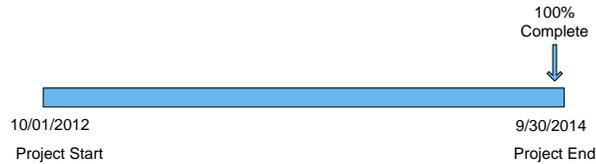
- None - Project Complete

2014/2015 Project Budget
No 2014/2014 Funding

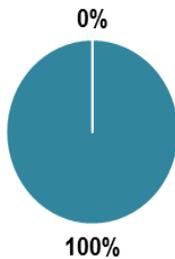
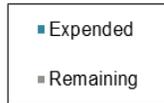
Major Fiscal Year 2014/2015 Milestones



Project Schedule Status Timeline



Total Project Budget
\$785 Thousand



Additional Earnings and Annuity Credit (AEC/AAC) 2013

The Additional Earnings and Annuity Credit 2013 project will implement the system changes and business processes that will allow CalSTRS to credit or pay out the Additional Earnings and Annuity Credits for 2013.

2014/2015 Project Budget
All funding is in future project years.

Fiscal Year 2014/2015:

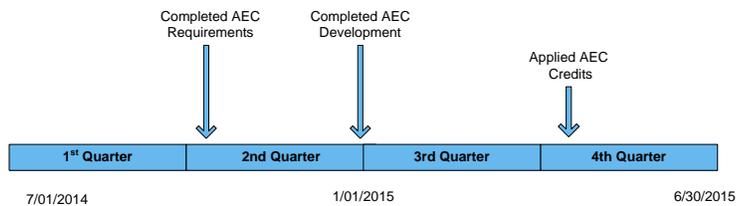
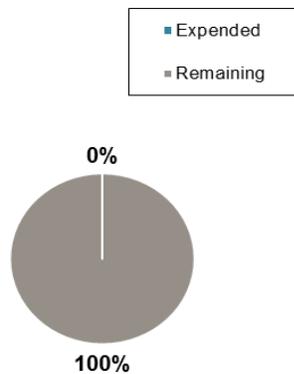
- Received Enterprise Program Investment Council (EPIC) approval of the initial project scope, schedule and budget.
- Completed identification of communication artifacts (materials, forms and letters).
- Completed identification of training needs.
- Completed Phase I (AEC Credits and code fix to prevent double payments).
- Completed communication artifacts related to posting of the Additional Earnings Credits.
- Completed requirements gathering for Phase II (crediting of Additional Annuity Credits (AAC) and release of AEC/AAC-related payments and rollovers).
- Initiated the procurement process for Phase II mailing vendor contract.
- Received Enterprise Program Investment Council (EPIC) approval for scope changes and a six month implementation schedule extension.
- Completed business requirements for Phase II.
- Initiated Build Phase for Phase II.

Planned Deliverables for Fiscal Year 2015/2016:

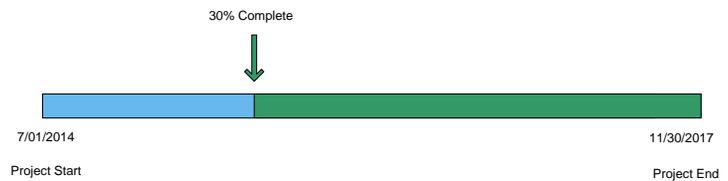
- Complete communication artifacts for all Additional Earnings and Annuity Credits and related payments.
- Complete the procurement process for Phase II print and mail vendor contract.
- Complete Phase II (Additional Annuities Credits and the payments relating to both the Additional Earnings and Annuity Credits).
- Complete the project close-out report.

Major Fiscal Year 2014/2015 Milestones

Total Project Budget
\$175 Thousand



Project Schedule Status Timeline



Annual Update

The Annual Update process calculates fiscal year-end contributions, interest and yearly service credit; transfers contributions greater than one year of service between Defined Benefit and Defined Benefit Supplement accounts; produces the *Retirement Progress Reports* (annual member statements), posts member payroll and service credit data on *myCalSTRS*; produces and validates the Annual Update Account Reconciliation Reports and Creditable Earning Reconciliation Reports.

No Budget

This annual operational project utilizes internal resources and operational program budgets.

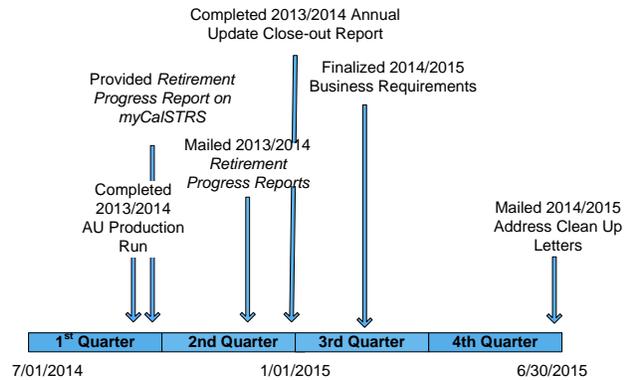
Fiscal Year 2014/2015:

- Completed 2013-14 Annual Update corporate database production run.
- Implemented the mail only upon request only option for the 2013-14 *Retirement Progress Reports* and mailed 18,558.
- Posted 633,411 Retirement Progress Reports to *myCalSTRS* website.
- Gathered Customer Satisfaction Survey data from 2013-14 Retirement Progress Reports.
- Completed 2013-14 Annual Update project close-out report.
- Mailed 26,071 Address Clean Up letters for 2014-15.
- Received 30,040 member requests for hard copy *Retirement Progress Reports* for 2014-15.
- Received approval to extend the current print and mail services vendor contract for 2014-15 year and initiated the procurement process for a print and mail services vendor.
- Finalized requirements, design specifications and unit testing for the 2014-15 *Retirement Progress Reports*.

Planned Deliverables for Fiscal Year 2015/2016:

- Complete testing and conduct the 2014-15 Annual Update corporate database production run.
- Create and mail 2014-15 Cash Balance and Defined Benefit *Retirement Progress Reports* and post member information to *myCalSTRS* website.
- Gather data from the 2014-15 *Retirement Progress Reports* Customer Satisfaction Survey.
- Complete the 2014-15 Annual Update close-out report.
- Release the Request for Proposal (RFP) and enter into a contract for print and mail services.
- Complete requirements, design specifications and unit testing for the 2015-16 *Retirement Progress Reports*.

Major Fiscal Year 2014/2015 Milestones



Project Schedule Status Timeline



Board Elections

The Board Election project will facilitate, coordinate and conduct the CalSTRS 2015 Board Election as required under the Teachers' Retirement Law. The elected candidates will serve a four-year term beginning January 1, 2016 solicitation.

No Budget

This annual operational project utilizes internal resources and operational program budgets.

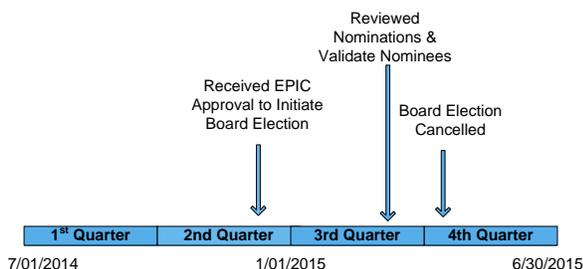
Fiscal Year 2014/2015:

- Published Notice of Election in CalSTRS Connections newsletter.
- Received board approval of election vendor services contract to provide Board Election services.
- Certified candidate signatures for CalSTRS respective Board seats.
- Project canceled as there was no longer a need for elections as two seats received only one nomination and the third seat had one candidate remaining after the other withdrew. The results were certified by following regulations and prior to the need for any distribution of candidate statements or ballots.

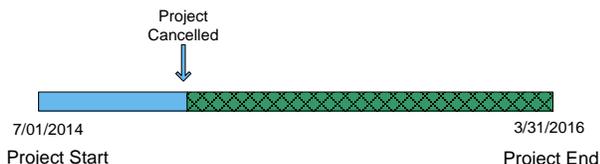
Planned Deliverables in FY 2015/2016:

- Project Canceled.

Major Fiscal Year 2014/2015 Milestones



Project Schedule Status Timeline



BusinessRenew Data Preparation

The BusinessRenew Data Preparation project is in the first phase of data cleaning to include data clean-up and preparation for conversion to a new pension solution.

Fiscal Year 2014/2015:

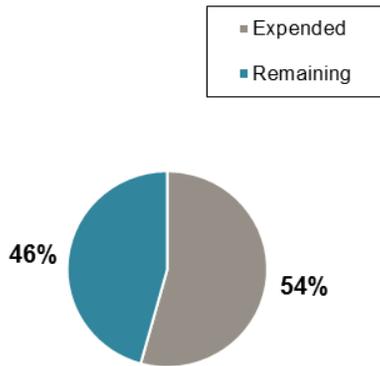
- Completed remaining data analysis and profiling with the support of the data analysis vendor.
- Delivered Data Analysis and Alternative Data Issues Report.
- Completed the Data Preparation Discovery and received Enterprise Program Investment Council (EPIC) approval to commence Data Preparation Cleaning Phase I.
- Commenced Data Preparation Cleaning Phase I.
- Initiated a focus group to analyze and prioritize data cleaning scope.
- Completed prioritization of data cleaning scope.
- Continued the Complete Account Review and Evaluation (CARE) team's work on reviewing and correcting member accounts.

Planned Deliverables for Fiscal Year 2015/2016:

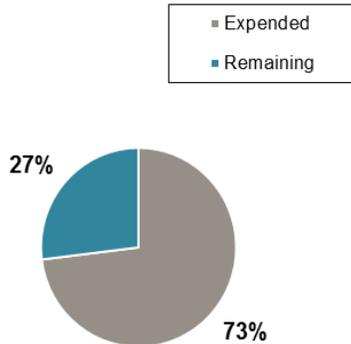
- Align cleaning with Pension Solution project's release schedule to ensure data cleaned in time for conversion.
- Complete focus group analysis of data cleaning scope.
- Continue highest priority cleaning activities.
- Procure data strategist services to prepare draft policies for addressing data anomalies and a plan for data cleaning in alignment with the Pension Solution project.

Warning: Project is at risk due to not being fully resourced and the challenges in bringing on new resources.

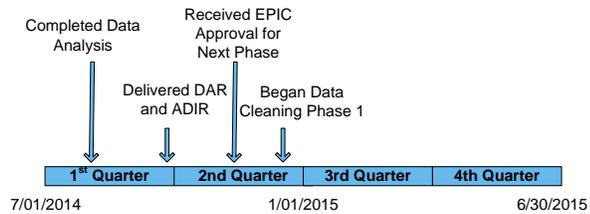
2014/2015 Project Budget \$2.5 Million



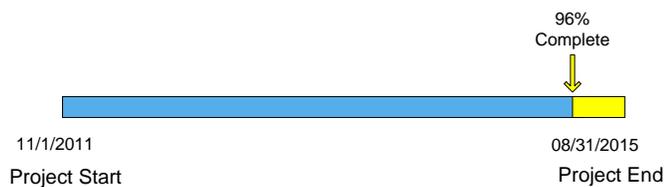
Total Project Budget \$7.6 Million



Major Fiscal Year 2014/2015 Milestones



Project Schedule Status Timeline



BusinessRenew Enterprise Information Management

The BusinessRenew Enterprise Information Management (EIM) project utilized the services of an experienced EIM vendor that captured enterprise data risks, opportunities, and developed a roadmap to achieve the EIM goals set. The EIM Program is now housed within the General Counsel's Office. The EIM program is implementing the initiatives identified in the roadmap.

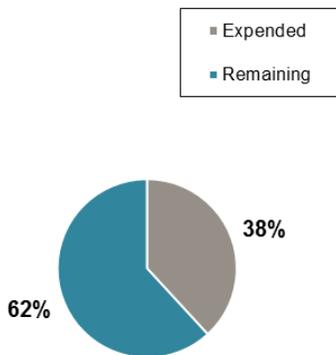
Fiscal Year 2014/2015:

- Hired three Enterprise Program Investment Council (EPIC) funded positions within the new Enterprise Information Management program.
- Implemented all five Enterprise Information Management program Phase 1 initiatives.
- Completed six of the seven longer term initiatives within Phase 2 of the Enterprise Information Management program for Benefits & Services Branch.

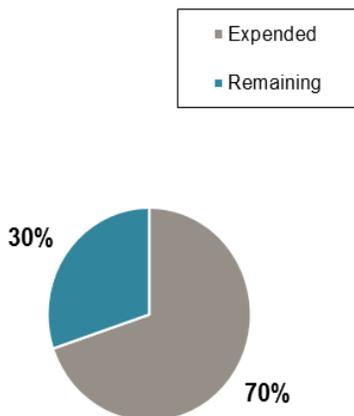
Planned Deliverables for Fiscal Year 2015/2016:

- Fully transition program from BusinessRenew to General Council as an operational program.
- Implement Phases 2 and 3 of the Enterprise Information Management program to include eight longer term initiatives for Benefits & Services Branch.
- Begin implementing Enterprise Information Management's twelve initiatives for Phases 1 and 2 enterprise wide.

**2014/2015 Project Budget
\$396 Thousand**



**Total Project Budget
\$811 Thousand**



Major Fiscal Year 2014/2015 Milestones



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.

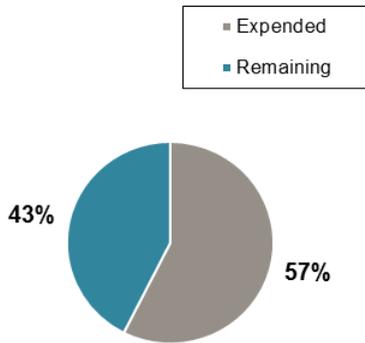
Fiscal Year 2014/2015:

- Completed monthly comprehensive status reports for Pension Solution and Data Preparation.
- Reviewed and provided feedback on Pension Solution (including Requirements Management and Priority Management – Project Portfolio Management Tool).
- Monitored the Data Preparation Phase 1 cleaning activities.
- Monitored the Pension Solution project procurement, contract execution and prepare for vendor onboarding processes.
- Monitored adherence to the Pension Solution governance process.
- Provided advisory services to the Enterprise Program Investment Council (EPIC) on information technology project management best practices.
- Provided input and feedback on BusinessRenew program and project governance models and monitored adherence to the Pension Solution governance process.
- Developed and delivered board presentations on BusinessRenew project status.

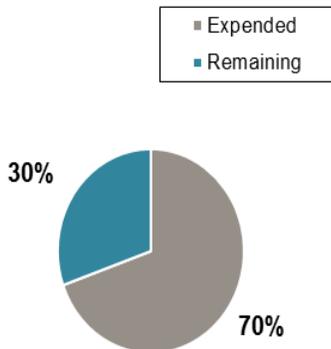
Planned Deliverables for Fiscal Year 2015/2016:

- Complete comprehensive monthly reports for Pension Solution and Data Preparation projects.
- Provide oversight and guidance on Pension Solution planning, conceptual design and business process alignment phases.
- Provide oversight on BusinessRenew program and project governance activities.
- Monitor the Data Preparation Phase 1 cleaning activities.
- Provide advisory services to the Enterprise Program Investment Council (EPIC) on information technology project management best practices.
- Develop and deliver board presentations on BusinessRenew project status.

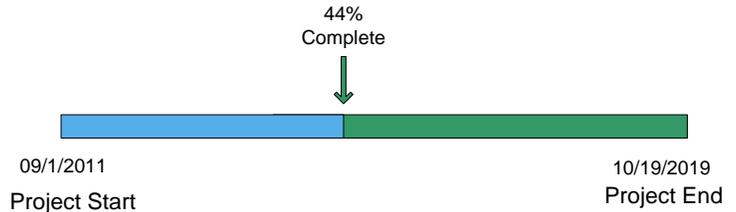
2014/2015 Project Budget \$770 Thousand



Total Project Budget \$6.5 Million



Project Schedule Status Timeline



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.

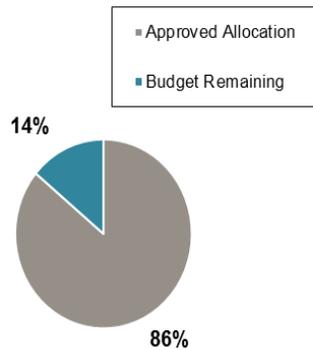
Fiscal Year 2014/2015:

- Continued employer readiness activities with the employers.
- Continued resolution of inconsistent business practices.
- Conducted the final evaluation process and selected the successful vendor.
- Gained all approvals, finalized and executed the contract with the pension solution vendor.
- Hired and onboarded project team members.

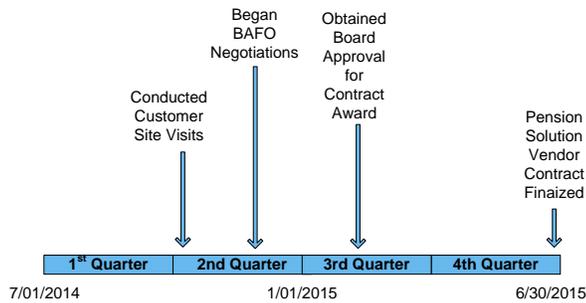
Planned Deliverables for Fiscal Year 2015/2016:

- Onboard the contractor and complete the project Start-Up phase, finalizing the required project plans and a resource-loaded schedule.
- Initiate and complete the Requirements Confirmation, Conceptual Design, and Business Process Alignment phase.
- Conduct project training.
- Initiate the technology infrastructure build out phase.
- Initiate the first functional release phase.

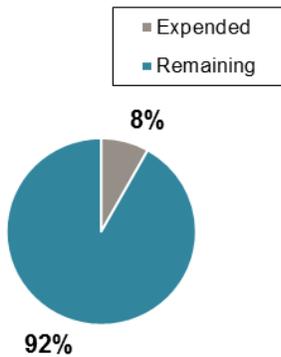
***2014/2015
Approved Allocation vs.
Budget Remaining
\$61.6 Million**



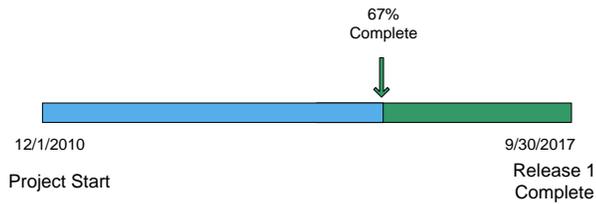
Major Fiscal Year 2014/2015 Milestones



***2014/2015
Approved Allocation
vs. Actual
\$53 Million**



Project Schedule Status Timeline



*Pension Solution budget related chart values reflect the BCP budget only and associated approved annual spending plan opposed to total and current year EPIC budget values used for other enterprise projects.

BusinessRenew Program

The BusinessRenew program provides centralized governance, and coordination of all BusinessRenew project activities to achieve the strategic benefits and objectives outlined in the CalSTRS Strategic and Business plans by facilitating the optimization of costs, resources and staffing, risk management, and the integration of BusinessRenew component project dependencies and deliverables. BusinessRenew program services include project management and support, including cultural change and communications management.

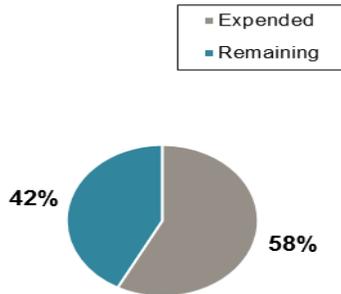
Fiscal Year 2014/2015:

- Provided board overviews and updates on BusinessRenew program; including long term budget projections.
- Hired additional program resources.
- Provided on-going organizational change management support for large BusinessRenew projects (Pension Solution, Data Preparation, and Requirements Management).
- Provided BusinessRenew Program risk and issue management.
- Assisted in the development of competitive procurement documents and processes for Pension Solution and Data Preparation projects.
- Drafted contract management plan for oversight of BusinessRenew Pension Solution Contract.

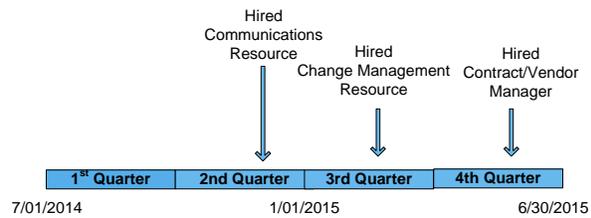
Planned Deliverables for Fiscal Year 2015/2016:

- Complete BusinessRenew program plans.
- Finalize program vendor and contract management plans for management and oversight of BusinessRenew contracts.
- Complete Independent Verification and Validation oversight services procurement.
- Provide organizational change management support for large BusinessRenew projects (Pension Solution, Data Preparation, and Requirements Management).
- Provide BusinessRenew Program risk and issue management.
- Complete next phase of program staffing to expand program level support for all BusinessRenew projects.
- Implement program operational plan including integrated governance.

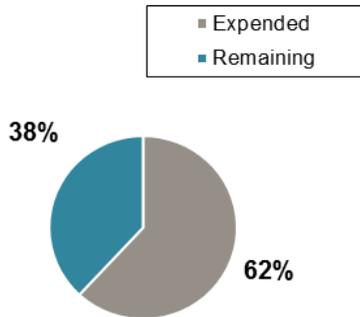
**2014/2015 Project Budget
\$2.8 Million**



Major Fiscal Year 2013/2014 Milestones



**Total Project Budget
\$ 6.7 Million**



Project Schedule Status Timeline



BusinessRenew Requirements Management

The BusinessRenew Requirements Management Project will 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.

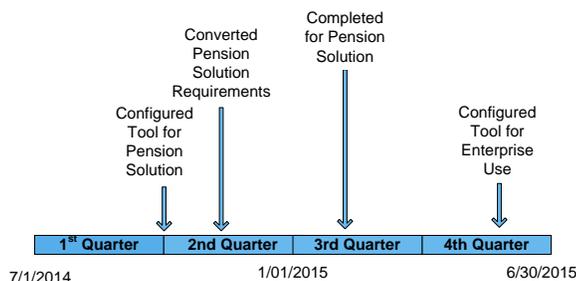
Fiscal Year 2014/2015:

- Configured tool to support processes and roles.
- Converted existing Pension Solution requirements.
- Completed systems and functional administrative training.
- Deployed requirements management tool to Pension Solution.
- Received Enterprise Program Investment Council (EPIC) approval to increase the scope, schedule and budget to support the additional tool functionality and provide support for both Pension Solution and enterprise projects.

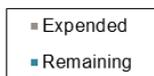
Planned Deliverables for Fiscal Year 2015/2016:

- Migrate legacy system requirements to the new tool.
- Retire existing requirements management tools.
- Complete training on the tool and related processes and roles.
- Initiate project plan and schedule updates for new tool functionality, enhanced processes, and roles.

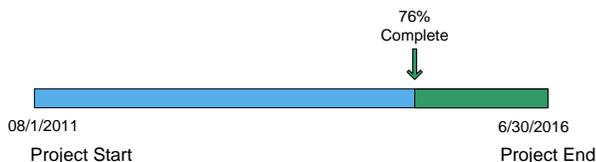
Major Fiscal Year 2014/2015 Milestones



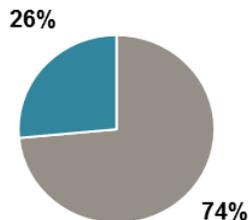
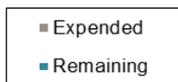
2014/2015 Project Budget \$540Thousand



Project Schedule Status Timeline



Total Project Budget \$1.15 Million



Full Funding

The Full Funding project is implementing system and process changes due to the passage of AB1469, which increased member, employer and state contribution rates to address the unfunded liability of CalSTRS' Defined Benefit Program.

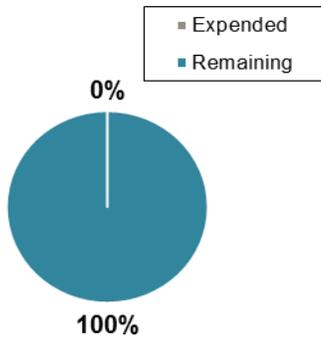
Fiscal Year 2014/2015:

- Received Enterprise Program Investment Council (EPIC) approval for the initial and revised project scope, schedule and budget based on finalized requirements.
- Implemented initial changes to the corporate database, Secure Employer Website (SEW) and BusinessDirect systems to accept new employer reporting rates.
- Implemented system enhancements to the START corporate database, Secure Employer Website (SEW), and myCalSTRS.
- Implemented system enhancements for BusinessDirect contributions processing, penalties and interest.

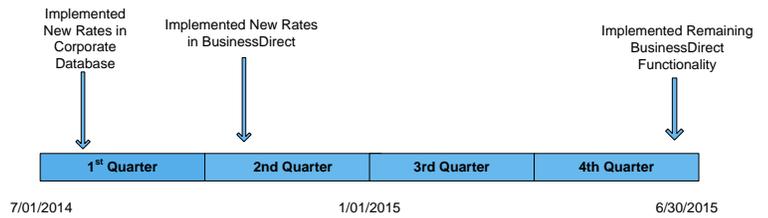
Planned Deliverables for Fiscal Year 2015/2016:

- Implement remaining system enhancements for BusinessDirect financial reports.
- Complete testing of all system enhancements in conjunction with the Annual Update project.
- Request Enterprise Program Investment Council (EPIC) approval to increase the scope and schedule to update the corporate database, START, with the increased number of decimal places for the contribution rate.

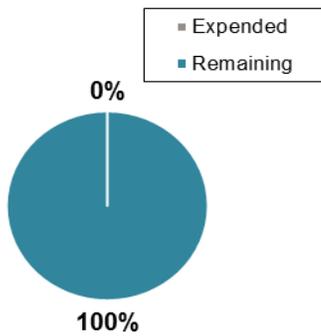
2014/2015 Project Budget
\$1.3 Million



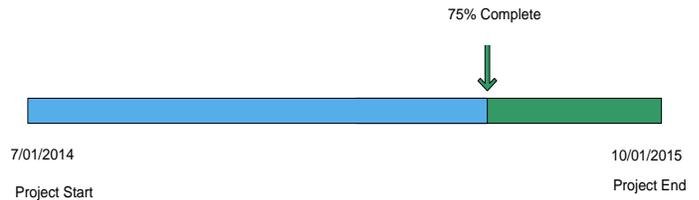
Major Fiscal Year 2014/2015 Milestones



Total Project Budget
\$1.3 Million



Project Schedule Status Timeline



Pension Program Classification Study

The BusinessRenew Pension Program Classification Study will allow CalSTRS to align the Pension Program series responsibilities and functions with current and future needs in order to recruit and retain the right individuals for the right jobs. The project is in its second phase to include conducting salary surveys, identifying minimum qualifications and preparing State Personal Board materials.

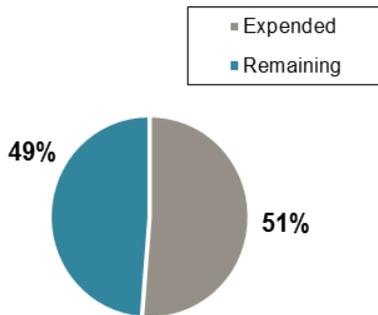
Fiscal Year 2014/2015:

- Conducted job analysis survey for all eight Pension Program series classifications.
- Completed job analysis reports for the Pension Program series classifications.
- Completed Phase 1 project close-out activities.
- Received Enterprise Program Investment Council (EPIC) approval to initiate Phase 2 including conducting salary surveys, identifying minimum qualifications and preparing State Personal Board materials.
- Executed vendor contract amendment for Phase 2 activities.
- Identified target entities to be potential salary survey participants.
- Held meeting with CalPERS executives to discuss partnering on a consolidated classification proposal to CalHR.

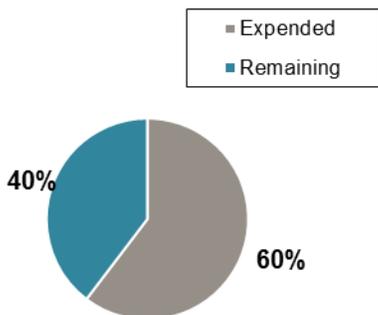
Planned Deliverables for Fiscal Year 2015/2016:

- Conduct additional meetings with CalPERS regarding partnering on a consolidated classification proposal to CalHR.
- Draft recommendations to revise Pension Program Classifications Specifications as necessary.
- Conduct a salary survey of equivalent classifications identified in other similar pension program organizations and develop salary recommendations.
- Prepare State Personal Board Item materials.
- Complete Phase 2 project close-out activities.

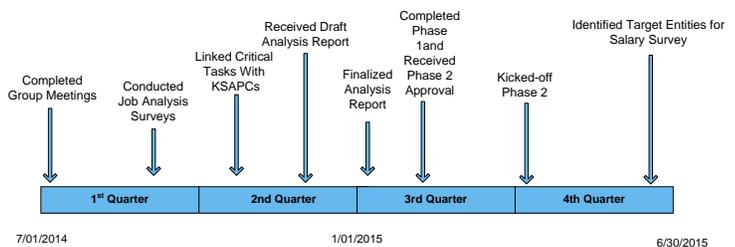
2014/2015 Project Budget
\$121 Thousand



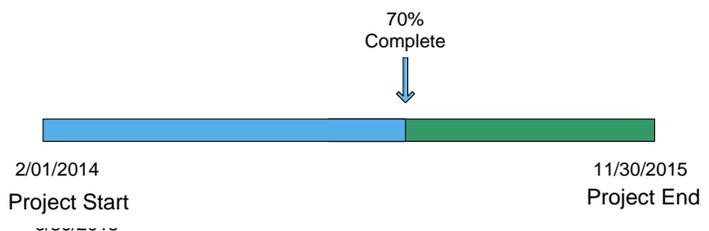
Total Project Budget
\$204 Thousand



Major Fiscal Year 2014/2015 Milestones



Project Schedule Status Timeline



Priority Management-Project Portfolio Management (PPM) Tool

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

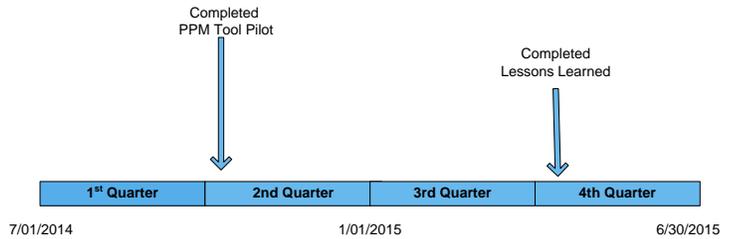
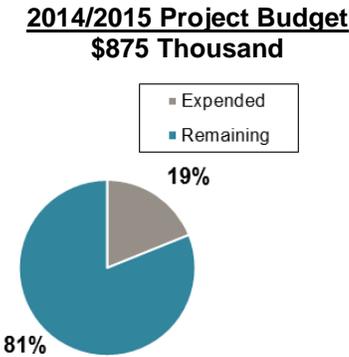
Fiscal Year 2014/2015:

- Completed Project Portfolio Management Tool /MS Project Schedule integration and testing.
- Completed pilot with three Enterprise Program Investment Council (EPIC) projects and two Technology Services projects.
- Completed process documentation and training collateral development.
- Completed Clarity project portfolio management tool training and rollout.
- Requested and received Enterprise Program Investment Council (EPIC) approval to extend the project schedule through April 2015.
- Completed project lessons learned.

Planned Deliverables for Fiscal Year 2015/2016:

- Complete project close-out report.

Major Fiscal Year 2014/2015 Milestones



Project Schedule Status Timeline

