



Enterprise Technology Projects

Fiscal Year 2014–15

Fourth Quarter Report

Quarter Ending June 30, 2015

Enterprise Technology Projects

Fiscal Year 2014/2015–Fourth Quarter

The Enterprise Program Investment Council (EPIC) is responsible for governance of all enterprise technology projects which includes prioritizing, allocating resources and providing oversight of the \$18.5 million annual EPIC technology projects budget. 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 fourth quarter, 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 \$51million has been obligated.

The BusinessRenew 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

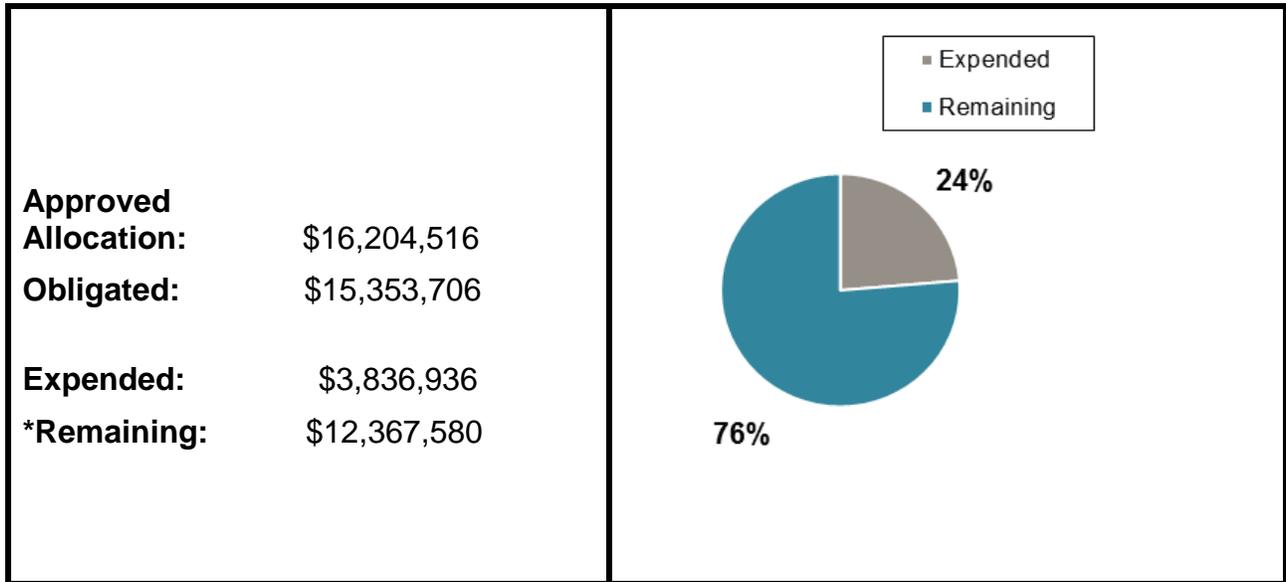
Chris Caietti
BusinessRenew Executive Officer

Ashish Jain
Chief Technology Officer

Enterprise Technology Projects Fiscal Year 2014/2015 – Fourth Quarter

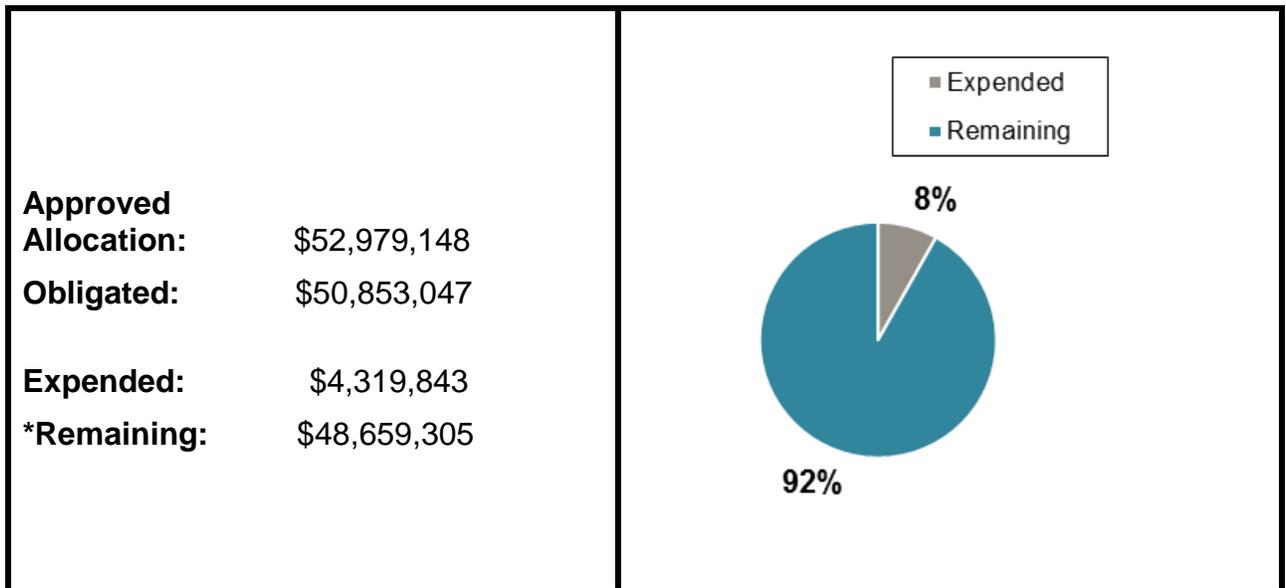
Enterprise Technology Projects' 2014/2015 Budget: \$30.5 Million

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 – Fourth Quarter

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.

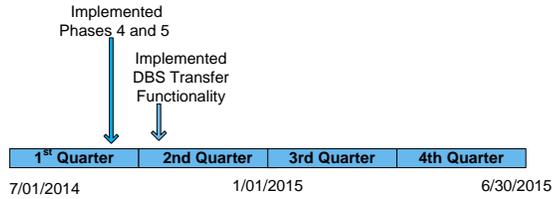
Period Ending June 30, 2015:

- None – Project Complete

Planned Deliverables by September 30, 2015:

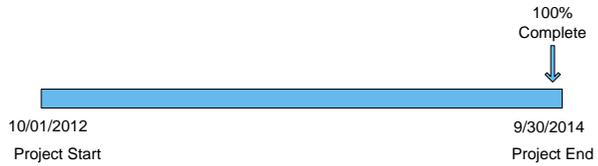
- None – Project Complete

Major Fiscal Year 2014/2015 Milestones

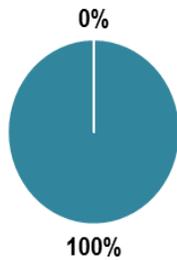
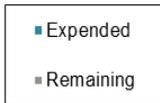


2014/2015 Project Budget
No 2014/2015 Funding

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.

Period Ending June 30, 2015:

- Completed testing and implementation of Phase I – crediting of Additional Earnings Credit (AEC).
- Completed communication artifacts related to posting of the Additional Earnings Credits.
- 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.
- Initiated Build Phase for Phase II (Additional Annuities Credits and the payments relating to both the Additional Earnings and Annuity Credits).

Planned Deliverables by September 30, 2015:

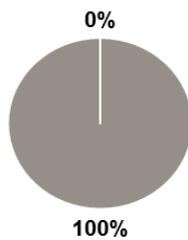
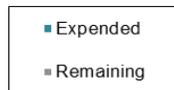
- Complete Build Phase of Phase II (Additional Annuities Credits and the payments relating to both the Additional Earnings and Annuity Credits).
- Continue communication artifacts for Additional Annuity Credits and the payments relating to Additional Earnings and Annuity Credits.
- Continue the procurement process for Phase II mail and print vendor services.
- Initiate the Testing Phase for Phase II.

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

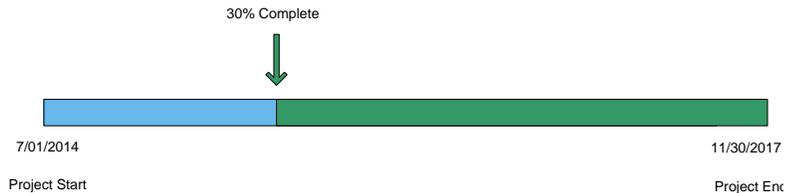
Major Fiscal Year 2014/2015 Milestones



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.

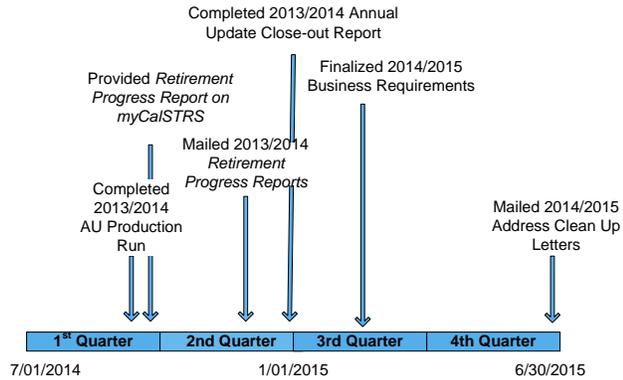
Period Ending June 30, 2015:

- Received 30,040 requests from members for hard copies of the *Retirement Progress Reports*.
- Received approval to extend the current print and mail services vendor contract by one year.
- Initiated Request for Proposal (RFP) process to procure a new mail services vendor contract for 2015-16 Annual Update process.
- Mailed 26,071 Address Clean Up letters for 2014-15.
- Finalized Requirements and Design Specifications for the 2014-15 *Retirement Progress Reports*.
- Finalized business requirements for 2014/2015.
- Completed code and unit test in preparation for System Integration Testing (SIT).
- Submitted initial test data to print vendor.

Planned Deliverables by September 30, 2015:

- Receive final 2014-15 employer reports.
- Complete 2014-15 User Acceptance Testing and Annual Update production run.
- Post *Retirement Progress Reports* on *myCalSTRS*.
- Email *Retirement Progress Report* Customer Satisfaction Survey to members who opted for electronic RPR.

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.

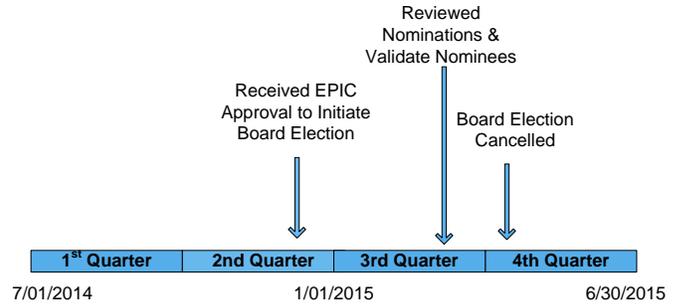
Period Ending June 30, 2015:

- 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 by September 30, 2015:

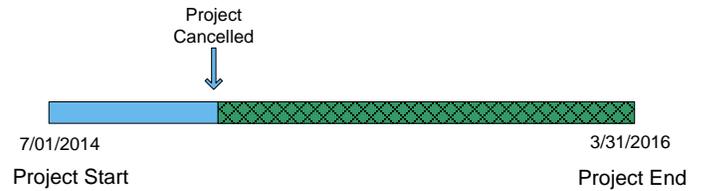
- Project Canceled.

Major Fiscal Year 2014/2015 Milestones



No Budget
 This annual operational project utilizes internal resources and operational program budgets.

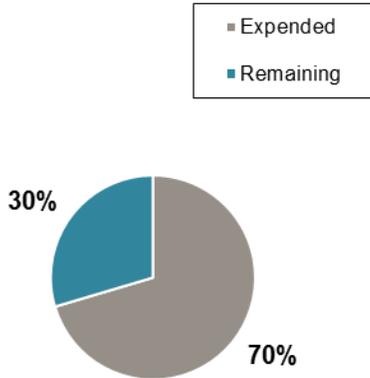
Project Schedule Status Timeline



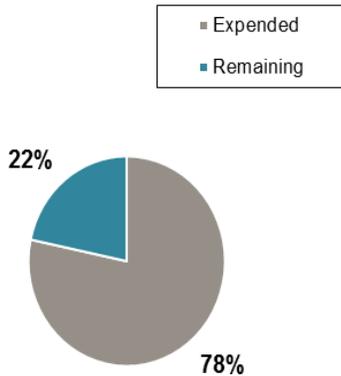
BusinessRenew Data Preparation

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.

2014/2015 Project Budget \$2.5 Million



Total Project Budget \$7.6 Million



Period Ending June 30, 2015:

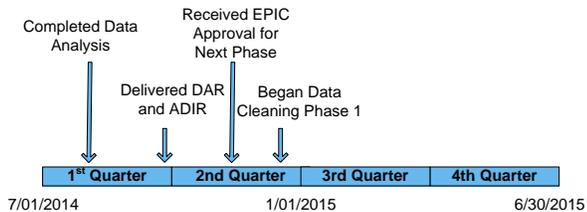
- Completed project initiation activities for Data Cleaning Phase I.
- Onboarded one testing coordinator.
- Initiated a focus group to analyze and prioritize data cleaning scope.
- Completed prioritization of data cleaning scope.
- Continued data cleaning activities.

Planned Deliverables by September 30, 2015:

- Re-baseline project schedule with revised scope from Data Preparation focus group.
- Onboard one additional business subject matter expert and one testing coordinator/tester.
- Continue focus group analysis and prioritization of data cleaning scope and prepare business decision documentation.
- Request Enterprise Program Investment Council (EPIC) approval for a schedule extension and interim funding while Data Preparation focus group completes analysis and prioritizes the scope of work.
- Continue highest priority data cleaning activities.
- Initiate data strategist procurement to prepare draft policies for addressing data anomalies and a plan for data cleaning in alignment with the Pension Solution project.

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

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.

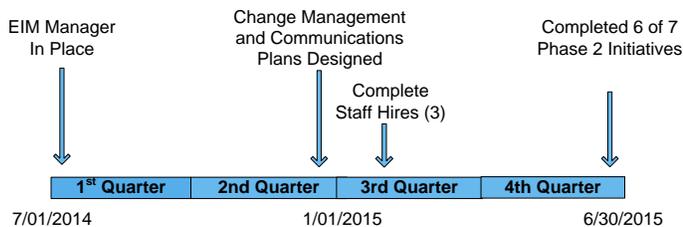
Period Ending June 30, 2015:

- Continued implementing Phase 2 initiatives.
- Completed all Phase 1 initiatives.
- Received Enterprise Information Management Council approval of the System of Record START data entities.
- Received Enterprise Information Management Council approval of the Data is an Asset policy.

Planned Deliverables by September 30, 2015:

- Complete final Phase 2 initiatives for the Benefits & Services Branch.
- Receive Enterprise Information Management Council approval of the information governance and taxonomy framework.
- Train the data owners and the data stewards on the information governance processes.
- Continue implementing the Phase 3 initiatives.
- Begin implementing Enterprise Information Management's Phases 1 and 2 initiatives enterprise wide.

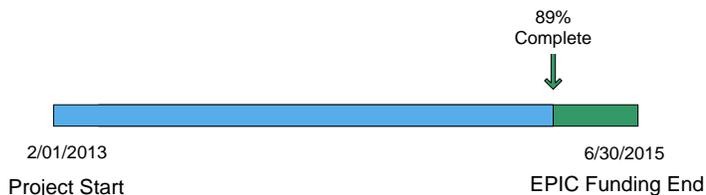
Major Fiscal Year 2014/2015 Milestones



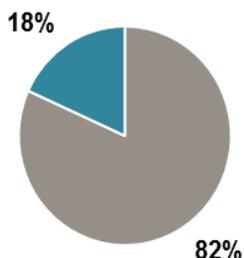
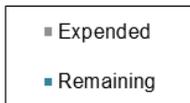
2014/2015 Project Budget \$396 Thousand



Project Schedule Status Timeline



Total Project Budget \$811 Thousand



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.

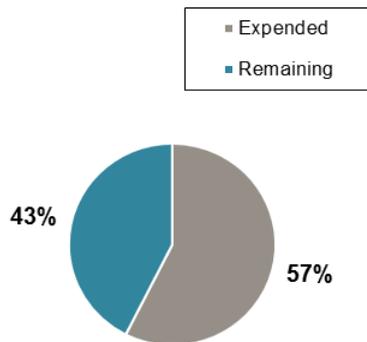
Period Ending June 30, 2015:

- 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.
- Developed board presentations on BusinessRenew project status.

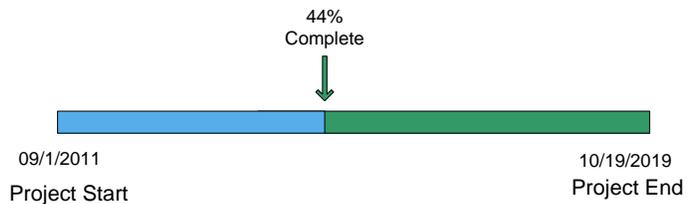
Planned Deliverables by September 30, 2015:

- Complete monthly comprehensive status reports for Pension Solution, and Data Preparation.
- Review and provide feedback on Pension Solution (including Requirements Management and Priority Management – Project Portfolio Management Tool).
- Monitor the Data Preparation Phase 1 cleaning activities.
- Monitor the Pension Solution project planning phase.
- Monitor adherence to the Pension Solution governance process.
- Develop board presentations on BusinessRenew project status.

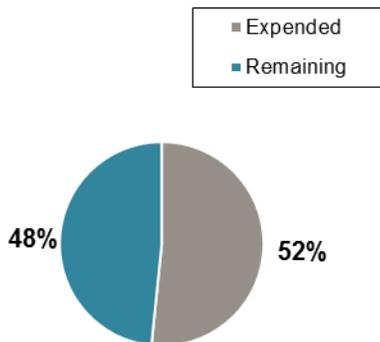
**2014/2015 Project Budget
\$770 Thousand**



Project Schedule Status Timeline



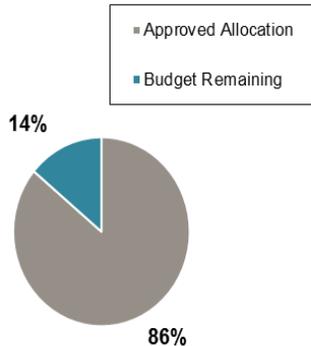
**Total Project Budget
\$6.5 Million**



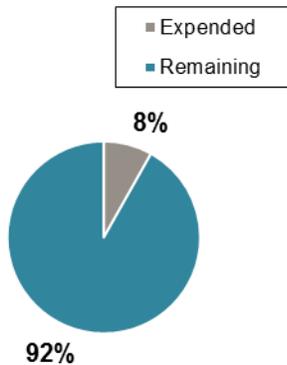
BusinessRenew Pension Solution

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.

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



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



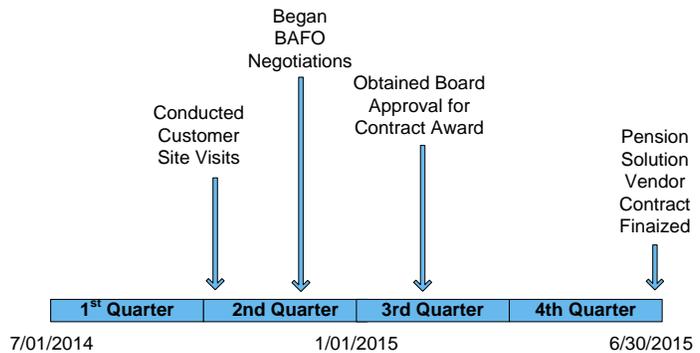
Period Ending June 30, 2015:

- Completed activities in preparing for vendor start.
- Conducted demonstrations of the selected vendor's pension solution for all staff.
- Finalized option for hosting of the Pension Solution.
- Finalized Pension Solution vendor contract.
- Hired and onboarded the Pension Solution project manager.
- Hired and onboarded the learning and development analysts and technical core team.
- Initiated procurement of Independent Verification and Validation vendor.
- Initiated procurement of technical contract resources.
- Obtained Enterprise Program Investment Council (EPIC) approval of the initial portion of the 2015/16 spend plan.

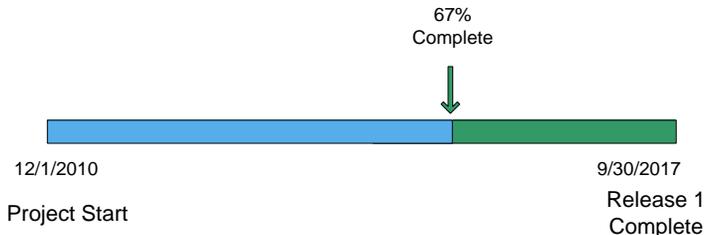
Planned Deliverables by September 30, 2015:

- Onboard Team CGI staff.
- Conduct project kickoff.
- Deliver project training.
- Finalize the various plans and resource-loaded project schedule.
- Complete Phase 1 – Project Planning efforts with the Pension Solution vendor.
- Review specifications and place hardware order.
- Release the Independent Verification and Validation Request for Proposal (RFP).
- Onboard two key technical contract project resources.

Major Fiscal Year 2014/2015 Milestones



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.

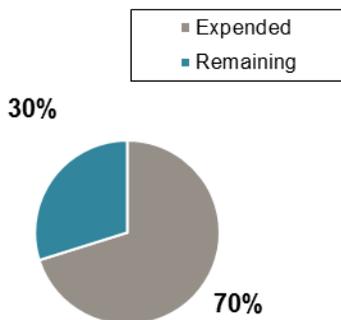
Period Ending June 30, 2015:

- Provided on-going communications and organizational change management support for large BusinessRenew projects (Pension Solution, Data Preparation and Requirements Management).
- Provided ongoing program level risk, issue, and schedule management.
- Completed recruitment and hiring process for 2014-15 BusinessRenew.
- Rolled out the change liaison program within the highest impacted internal stakeholders.
- Initiated change readiness assessments for lesser impacted internal stakeholders.
- Provided contract and vendor management support activities for finalization of the BusinessRenew Pension Solution contract.

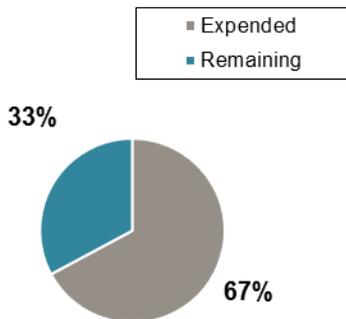
Planned Deliverables by September 30, 2015:

- Request Enterprise Program Investment Council (EPIC) approval for the 2015-16 budget.
- Provide on-going organizational change management support for large BusinessRenew projects (Pension Solution, Data Preparation and Requirements Management).
- Finalize updated program level risk and issue management plans.
- Finalize the change management and communication strategies.
- Continue change readiness assessments for lesser impacted internal stakeholders.
- Utilize the change liaison and ambassador programs to provide ongoing change support for internal stakeholders.
- Develop organizational change management training for leaders and staff.
- Provide ongoing BusinessRenew Program risk, issue, and schedule management.
- Finalize the contract management plan and provide oversight of BusinessRenew Pension Solution Contract.

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



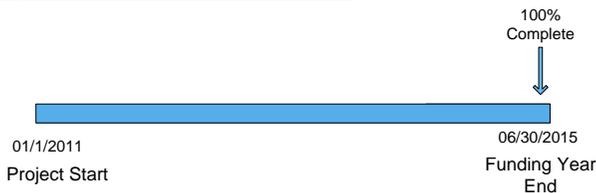
**Total Program Budget
\$6.7 Million**



Major Fiscal Year 2014/2015 Milestones



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.

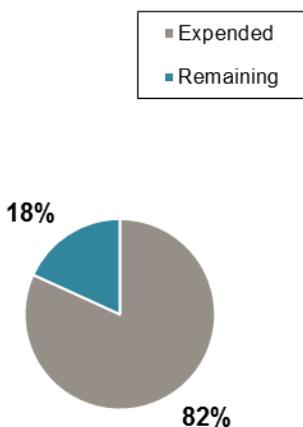
Period Ending June 30, 2015:

- Apply final requirements management tool configuration for enterprise process and roles.
- Continued final testing of the requirements management tool configuration for enterprise process and roles.
- Continued legacy requirements migration activities.
- 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.

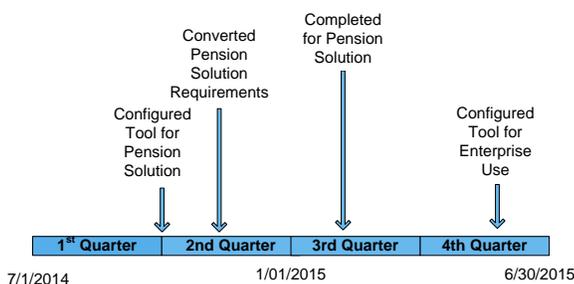
Planned Deliverables by September 30, 2015:

- Complete final testing of the requirements management tool configuration for enterprise process and roles.
- Complete requirements migration activities.
- Retire legacy requirements management environments.
- Complete project plan and schedule to complete additional tool functionality.

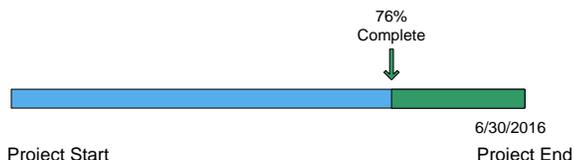
2014/2015 Project Budget \$540 Thousand



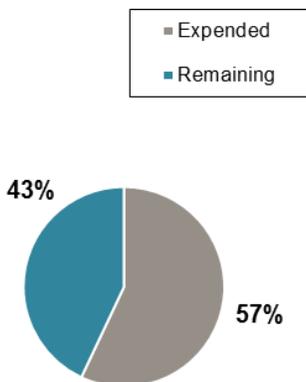
Major Fiscal Year 2014/2015 Milestones



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.

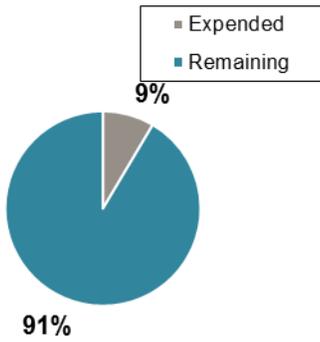
Period Ending June 30, 2015:

- Implemented system enhancements to the START corporate database, Secure Employer Website (SEW), and myCalSTRS.
- Completed functional and technical design for BusinessDirect changes.
- Implemented system enhancements for BusinessDirect contributions processing and penalties and interest.

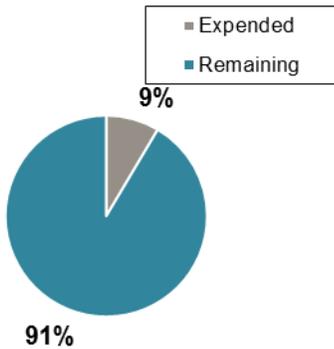
Planned Deliverables by September 30, 2015:

- Implement remaining system enhancements for BusinessDirect financial reports.
- Complete testing of all system enhancements in conjunction with Annual Update.
- 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.

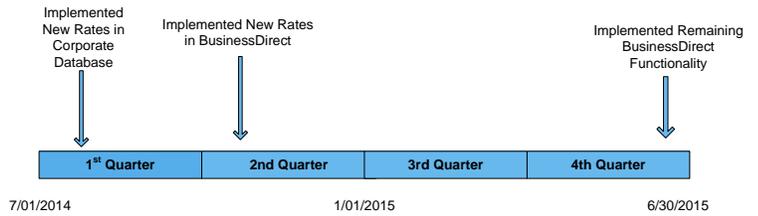
**2014/2015 Project Budget
\$1.3 Million**



**Total Project Budget
\$1.3 Million**



Major Fiscal Year 2014/2015 Milestones



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.

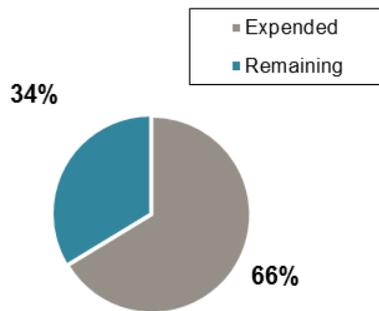
Period Ending June 30, 2015:

- Executed vendor contract amendment for Phase 2 activities.
- Held project 'kick-off' meeting.
- Identified and contacted target entities to be potential salary survey participants.
- Held meeting with CalPERS executives to discuss partnering on a consolidated classification proposal to CalHR.

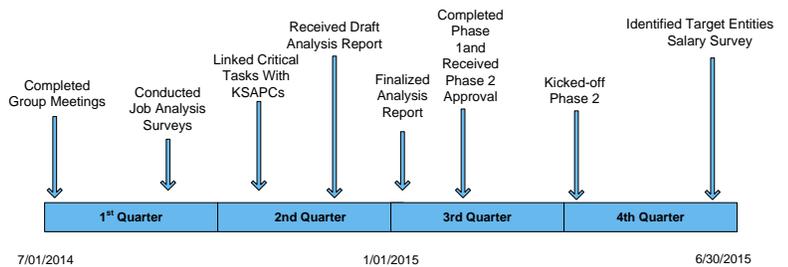
Planned Deliverables by September 30, 2015:

- Conduct additional meetings with CalPERS regarding partnering on a consolidated classification proposal to CalHR.
- Draft recommendations to revise Pension Program Classifications Specifications as necessary.
- Develop salary survey questionnaire.

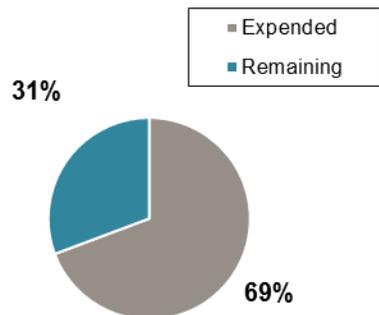
**2014/2015 Project Budget
\$121 Thousand**



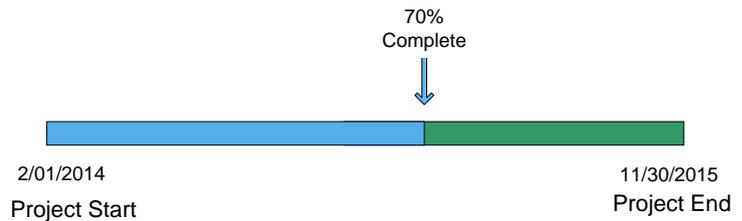
Major Fiscal Year 2014/2015 Milestones



**Total Project Budget
\$204 Thousand**



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.

Period Ending June 30, 2015:

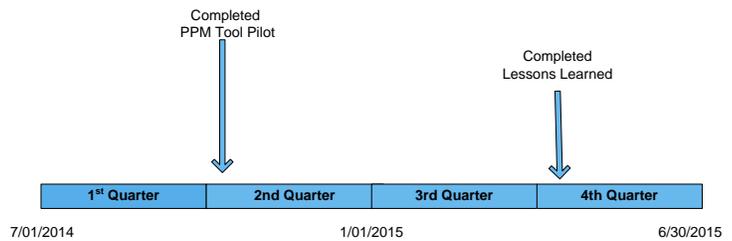
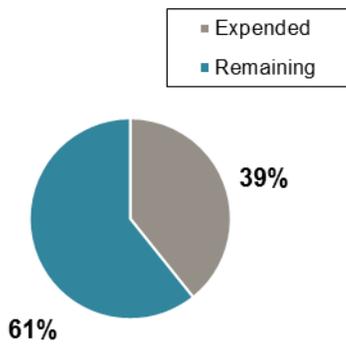
- Completed planning on use of Clarity risk management functionality and training on related setup.
- Completed training of Project Review Council (PRC)/Enterprise Program Investment Council (EPIC) members on use of out-of-the-box reports.
- Completed project lessons learned.

Planned Deliverables by September 30, 2015:

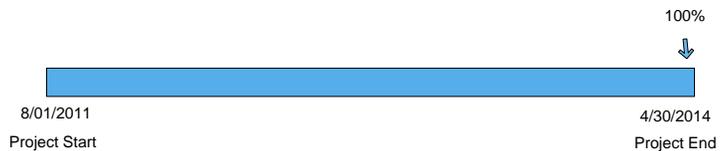
- Complete project close-out report.

Major Fiscal Year 2014/2015 Milestones

2014/2015 Project Budget \$875 Thousand



Project Schedule Status Timeline



Total Project Budget \$1.2 Million

