

Technology Services Board Portfolio and Policy Subcommittee Meeting

August 9, 2018

10:00 a.m. - 12:00 p.m.



WA • Office of the

Chief Information Officer

AGENDA

TOPIC	LEAD	PURPOSE	TIME
Welcome and opening remarks	Vikki Smith	Information	10:00
Policy Actions <ul style="list-style-type: none"> • 121 – IT Investments – Approval and Oversight – Update 	Sue Langen Amy Pearson	Review/Recommend for Approval	10:10
Project Briefing <ul style="list-style-type: none"> • Dept. of Transportation – Tolling Back Office System Replacement Project (BOS) <ul style="list-style-type: none"> ○ Patty Rubstello, Executive Sponsor ○ Jennifer Charlebois, Project Manager ○ Tom Parma, WSDOT Acting CIO ○ Dana Gerow, Public Consulting Group, QA 	Vikki Smith Rich Tomsinski	Update/Feedback	10:30
Project Briefing <ul style="list-style-type: none"> • Office of Financial Management – One Washington <ul style="list-style-type: none"> ○ Stacey Scott, Program Director 	Vikki Smith Pamela Davis-Taggart	Update/Feedback	11:00
Public Comment			11:30

Current TSB Portfolio & Policy Subcommittee Members

Industry Members

Butch Leonardson – Leonardson Leadership Svcs
Paul Moulton – Costco (webex)

Legislative Members

Rep. Mark Harmsworth – House R (webex)
Rep. Zack Hudgins - House D (webex)
Sen. Patty Kuderer – Senate D
Sen. Mark Miloscia - Senate R

Executive Branch (Agency Directors)

Vikki Smith – Acting CIO & Chair
Tracy Guerin – DRS

Other Government

Trever Esko – Snohomish County (webex)
Jeff Paulsen – Labor Rep

Blue – members present
Black – members absent

August 9, 2018

Policy Actions

Review / Recommend for Approval

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Where Are We?



August 9, 2018

Policy 121 – IT Investments – Approval & Oversight



Purpose of action

- Update current policy



Business case

- Clarify when agencies need to complete an ITPA project assessment



Key objectives

- Provide guidance to agencies when to submit an Information Technology Project Assessment (ITPA) to the OCIO
- Prepare for future updates to Policy 121



Strategic alignment

- Operational efficiency
- Accountability and transparency
- ID strategic investments for common business needs



Implementation

- Projects that exceed \$500K and take longer than four months will submit ITPA to OCIO
- OCIO assesses to determine if project is under oversight



Success criteria

- Increased awareness and application of criteria to determine if an ITPA should be submitted

Project Briefing

Update / Feedback

August 9, 2018

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Washington State Department of Transportation

Tolling Back Office System Replacement Project

- Agenda
 - History
 - Applied Lessons Learned
 - Project Status
 - Current Risks
 - Advice Sought
 - Questions

WSDOT – Tolling Back Office System Replacement Project

- History

- Legacy Back Office System (BOS) procured in 2009 and implemented in 2011, currently servicing four facilities (SR520, Tacoma Narrows Bridge, SR 167, I-405).
- The existing BOS is made up of two distinct systems, a traditional pre-paid account system and a “violation” system for post paid accounts, causing customer confusion.
- The existing BOS is nearing end-of-life with known scalability and configurability issues limiting the ability to meet future business needs of the State.
- The existing BOS Vendor also provides Customer Service Center Operations limiting transparency.

WSDOT – Tolling Back Office System Replacement Project

■ Key Lessons Learned

- Separation of the BOS and Operations contracts attracting best in class providers for each function.
- Focus on Commercial Off the Shelf (COTS) and dedicated accounting module.
- Focus on modern system architecture, system configurability and scalability.
- WSDOT, Legacy, New BOS and New Operations Vendor project teams are dedicated, communicative and focused.
- Be able to measure and manage vendors through real time monitoring and KPI measurements.

WSDOT — Tolling Back Office System Replacement Project

■ Status

- Three years of planning, research and development compiling customer feedback and best practices in other states.
- Achieved Legislative mandate to release Request for Proposals (RFP) by 12/1/16.
- Procurement complete in June of 2017 (Award to ETAN), base 6 year term with 6 option years.
- Currently in design, development and implementation of new BOS through two phases:
 - Phase 1 - consists of all current and new core functionality modernized and enhanced.
 - Phase 2 - consists of all elected option modules such as trip building, collections, and data warehouse.

WSDOT – Tolling Back Office System Replacement Project

■ Implementation Progress

■ **Phase 1 Go-Live date revised from Dec. 1, 2018 to Feb. 15, 2019**































- Vendor had delays in start-up and initial deliverable preparation.
- Increased executive-level coordination to more quickly address schedule issues.
- Preliminary design and requirement documentation that was slow to reach approval is now complete.
- System development and configuration underway.
- 2nd Data Migration exchange complete, analysis and mapping underway.
- Testing phase begins in fall.

External QA - Tolling BOS Replacement Project Status

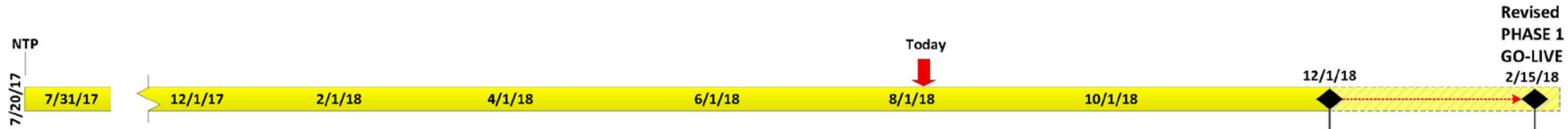
Overall WSDOT CSC BOS Project July Status

 Medium

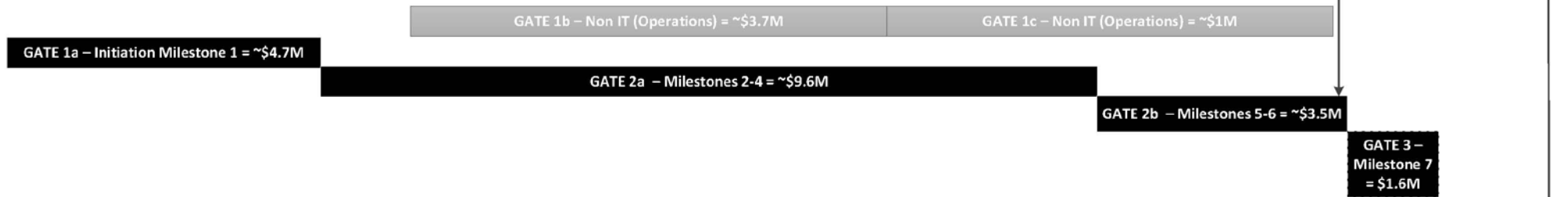
The overall project status remains yellow with significant risks in the areas of schedule and human resource management. PCG lowered one risk related to quality management and continues to track one high risk related to schedule management, one medium risk related to communications management and one low risk related to integration management, for a total of five active risks.

ID	Assessment Category	Quarterly Trending Status		
		May	June	July
5.1	Integration Management			
5.2	Scope Management			
5.3	Schedule Management			
5.4	Cost Management			
5.5	Quality Management			
5.6	Human Resource Management			
5.7	Communications Management			
5.8	Risk Management			
5.9	Procurement Management			
5.10	Stakeholder Management			

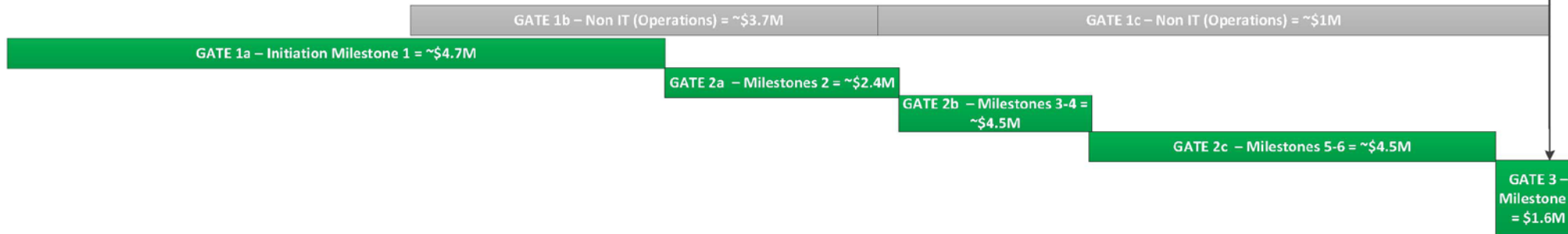
WSDOT BOS IMPLEMENTATION PHASE 1



Original Phase 1 Technology Budget



Revised Phase 1 Technology Budget



To decrease risk, Phase 1 project stage gating was enhanced when Gate 1 - Initiation ran long; the main Implementation Gate 2a was split into two with shortened durations and decreased dollar amounts to increase control.

NOT TO SCALE

WSDOT BOS – Project Risks and Mitigation

#	Risk	Mitigation/Comment
1	<p>Vendor schedule lacks sufficient detail to track the critical path. Go-Live Date has been revised.</p> <p>The revised schedule shows some improvement, there continues to be concerns related to schedule logic, realistic timeframes, overlapping activities and mounting workloads for both ETAN and WSDOT resources.</p>	<p>Letter of Concern issued. Revised Schedule not approved by WSDOT. Resources and process improvements have been installed. While weekly updates are being made there is still no true look ahead and have not yet demonstrated sufficient effectiveness</p>
2	<p>Lack of adherence to quality standards by ETAN in deliverables development may cause schedule delays with the potential to further affect the critical path.</p>	<p>WSDOT continues to work closely with ETAN project managers and leads to define expectations for each deliverable, review Deliverable Expectation Documents, and ensure that Deliverable Expectations are met before accepting deliverables for review. WSDOT has observed improvement in deliverable quality.</p>
3	<p>There may be delays to the overall testing efforts and effectiveness if the data migration development and planning activities are delayed and do not align with the Testing Phase.</p>	<p>ETAN has provided analysis and recommendations that will further define data to migrate and testing plans. WSDOT responses provided and impact will be applied to schedule to measure recovery. Additional attention is being given to coordination between ETAN and legacy vendor to support data mapping process.</p>

WSDOT BOS – Project Updates

- Advice Sought
 - Additional mitigation measures to strengthen project schedule adherence?

Project Briefing

Update / Feedback

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One Washington Program Update

Technology Services Board Subcommittee
August 9, 2018



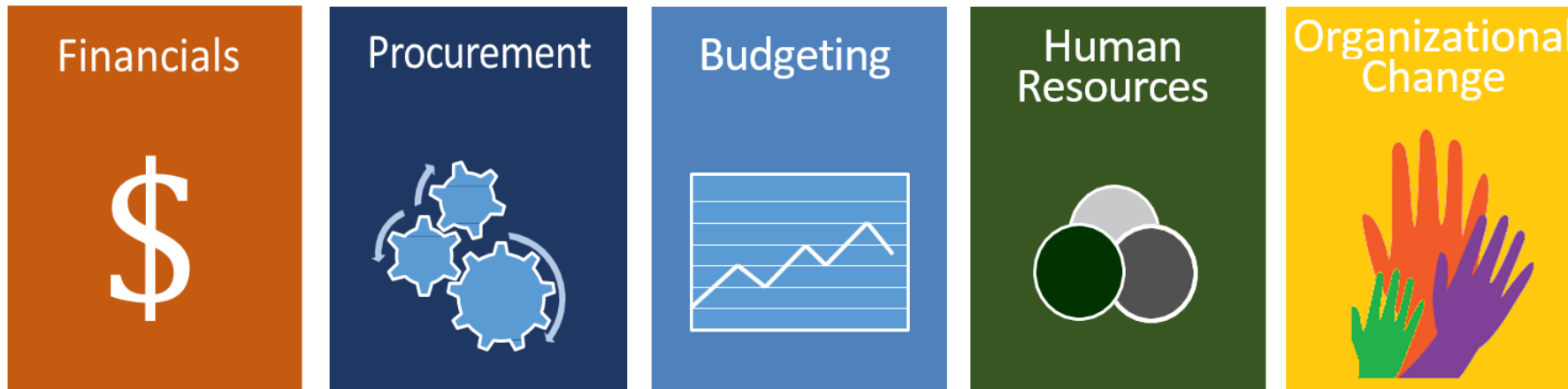
One Washington
A Business Transformation Program

August 9, 2018

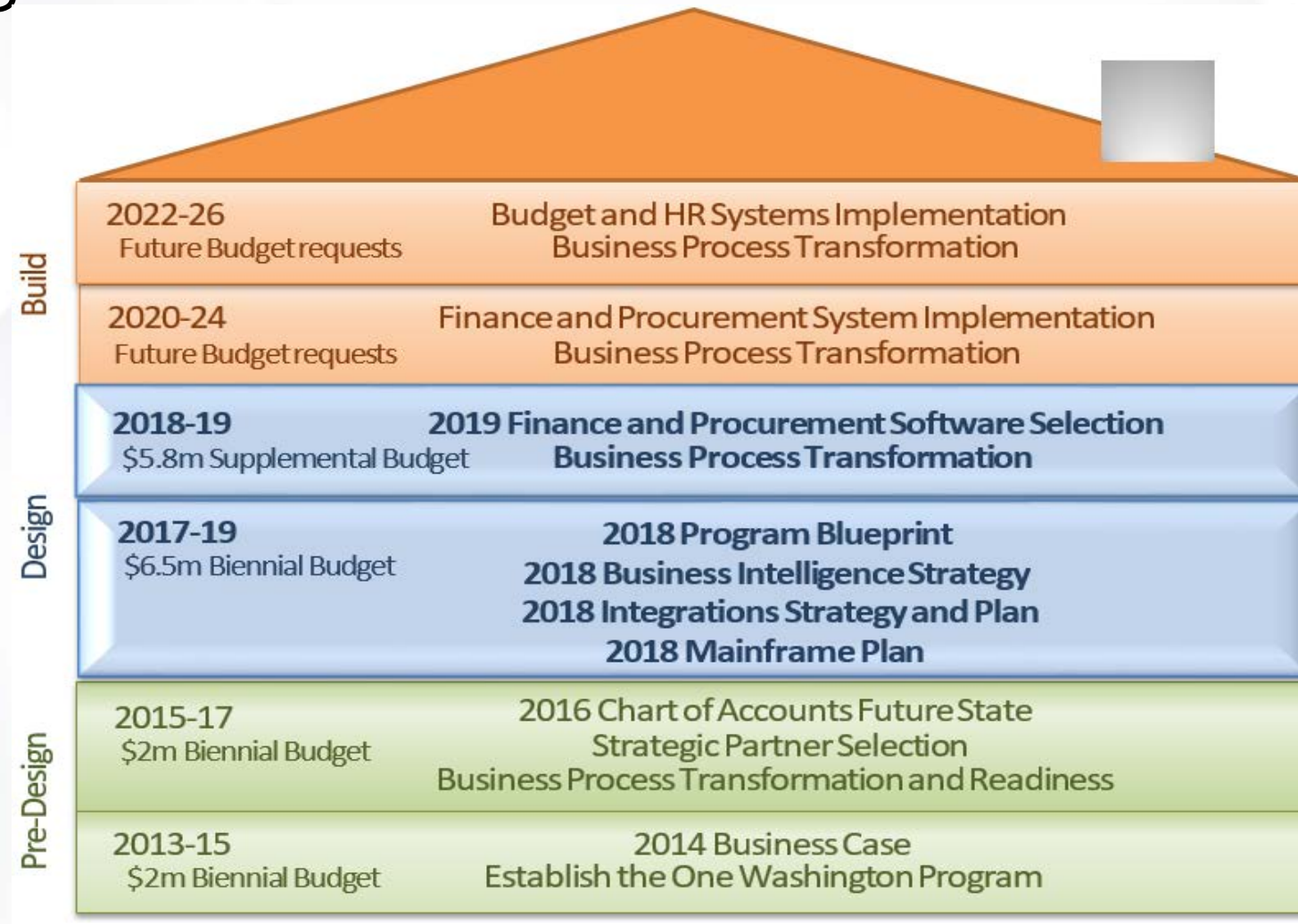
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Program Overview

- One Washington is a comprehensive, business transformation program to modernize and improve aging administrative systems and related business processes common across state government.
- There are four key business areas with change management touching all areas:

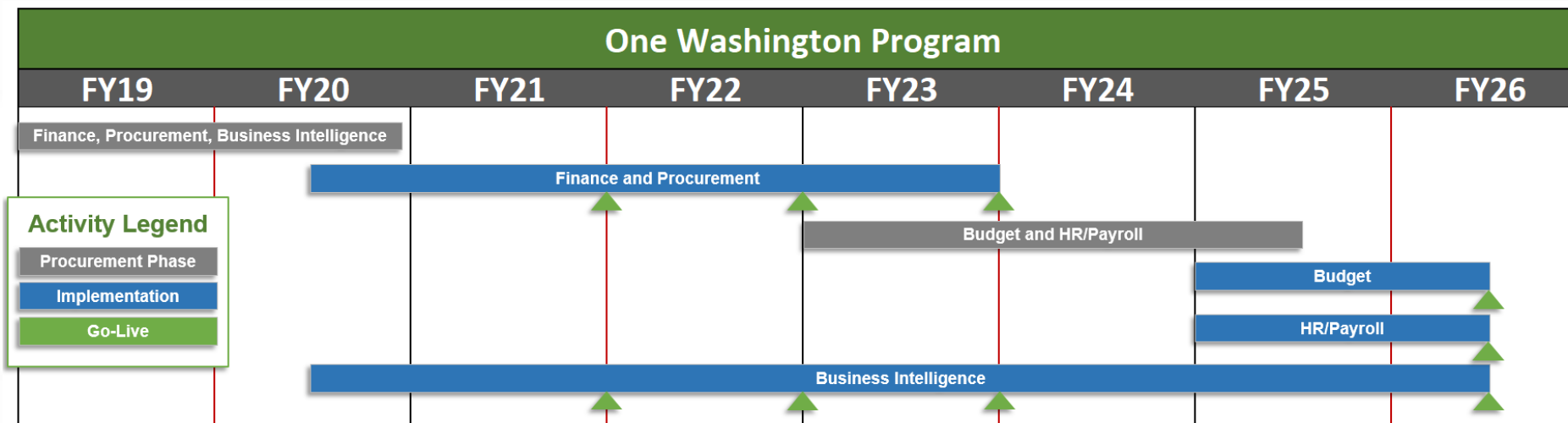


Building the One Washington Program



Implementation/Phasing Approach

- Finance and Procurement will be deployed in three waves:
 - Wave 1: Initial roll-out
 - Wave 2: Remaining agencies
 - Wave 3: Reserved for agencies that require expanded functionality to meet their business needs
- Budget and HR/Payroll will be deployed in one release



Finance and Procurement Deployment Waves

Implementation Wave	Detail
<p>Wave 1 Initial Release July FY22</p>	<ul style="list-style-type: none"> • Department of Corrections • Department of Enterprise Services (+ small agencies except for Payroll only) • Department of Health • Department of Services for the Blind • Office of Financial Management • Office of the Governor • Office of the State Treasurer • Utilities and Transportation Commission • University of Washington (Integration only) • Washington Technology Solutions
<p>Wave 2 Initial Release July FY23</p>	<ul style="list-style-type: none"> • All other agencies
<p>Wave 3 Expanded Release July FY24</p>	<ul style="list-style-type: none"> • Agencies that require expanded functionality

Decommissioning Legacy Systems

One Washington worked with agencies to identify agency-level administrative systems that could be decommissioned as the enterprise system is deployed:

Agency Administrative Systems	
Retire	118
Keep	175
Solution Dependent	21
Total	314

Note: Numbers include Finance, Procurement, Budget and HR/Payroll functions

**One
Washington
Work
Streams**

**Fiscal Year
2019**

Organizational change management

Business capabilities and software
procurement

Assess Finance organizational strategy
and readiness

Assess Procurement organizational
strategy and readiness

Budget development

Organizational Change Management Strategy

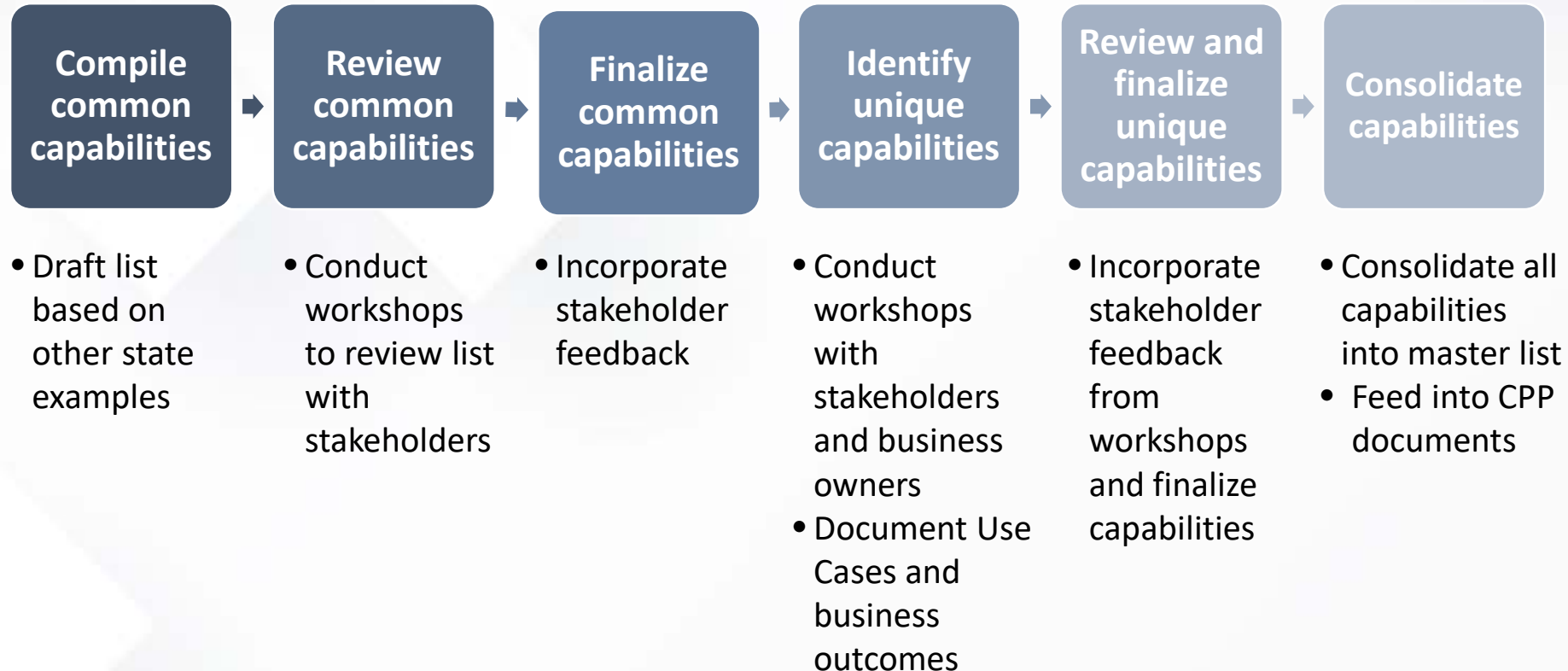
- One Washington is about business transformation
- Changing processes involves people

Change Strategy: Focus is on the individual employee

- Stakeholder identification and engagement
- Communications
- Training
- Business user engagement and business readiness planning



Business Capabilities and Software Procurement



Assess Finance Organizational Strategy and Readiness

- Define a centrally governed and consistent statewide chart of accounts structure
- Analyze, identify and consolidate customer and payee files to a single master file
- Standardize agency interfaces
- Document accounting training needs for state staff
- Establish statewide federal grants Community of Practice

Assess Procurement Organizational Strategy and Readiness

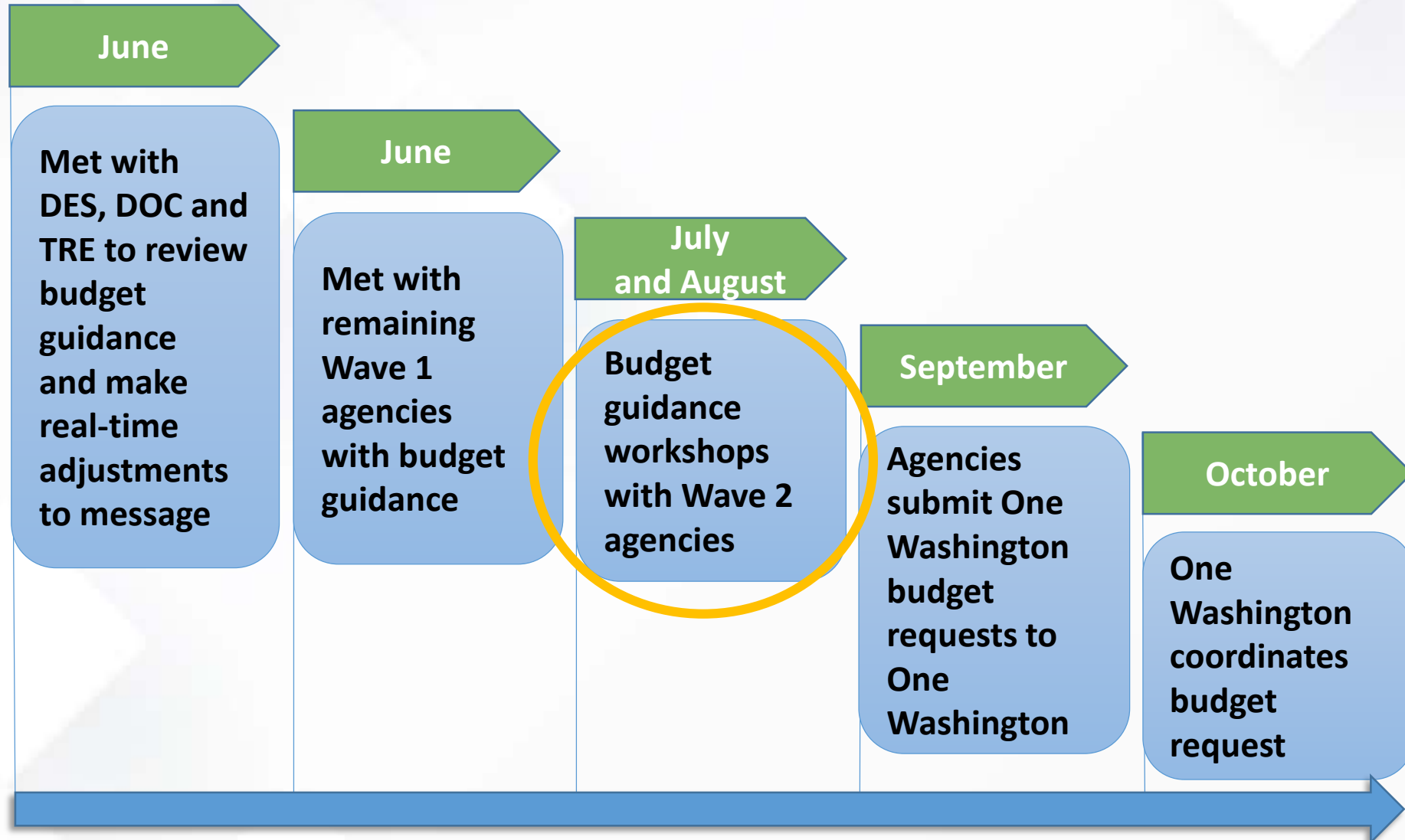
- Comprehensive policy, law and rule review for eProcurement readiness
- Review pending contract management guide and training, and develop related contract administration guide
- Establish spend data management guidelines
- Establish statewide eMarketplace policy
- Develop enterprise procurement manual (Led by DES)

Program Blueprint Annual Summary

	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
2017 - 2018 Program Blueprint	\$5.3m	\$26.4m	\$51.9m	\$57.9m	\$33.8m	\$24.7m	\$54.0m	\$49.9m
	Software Selection / Finance	Implement - Finance				Software Selection / Budget	Implement - Budget	
	Software Selection / Procurement	Implement - Procurement				Software Selection / HR/Payroll	Implement - HR/Payroll	
		Implement Business Intelligence/Analytics						
Total One Washington Program Cost = \$303.9m								

Note: Estimates are for the One Washington program. Costs do not include agency costs or post-implementation maintenance and operations costs.

Budget Guidance Timeline



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Biennial Budget Guidance

	2019-21 Biennium Funding		Post-Biennium Consideration
	Agency In-Kind	Will Consider for One Washington Budget Request	
Configuration	✓		
Integration		✓	
Master Data Management	✓		
Data Conversions/Cleanup	✓		✓
Reports/BI	✓		
Security	✓		
Testing		✓	✓
OCM*		✓	✓

**July 2018
Quality
Assurance
Report**

Program/Project Schedule

Project Management Office Processes
Change, Risk, Issue and Quality
Management

Organization Preparation and
Readiness



FOR MORE INFORMATION:

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TO PROVIDE FEEDBACK:

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One Washington
A Business Transformation Program