QUALITY ASSURANCE TEAM

Legislative Budget Board ♦ State Auditor's Office ♦ Department of Information Resources

TO: Governor Rick Perry

Lt. Governor David Dewhurst	Speaker Tom Craddick
Senator Steve Ogden	Representative Jim Pitts
Senator Robert Duncan	Representative Fred Hill
Senator John Whitmire	Representative James Keffer
Senator Judith Zaffirini	Representative Sylvester Turner

FROM: John O'Brien, Director, Legislative Budget Board
John Keel, CPA, State Auditor, Office of the State Auditor
Larry A. Olson**,** Chief Technology Officer, Department of Information Resources

DATE: December 1, 2006

SUBJECT: 2006 Quality Assurance Team (QAT) Annual Report

The QAT believes that opportunities exist to improve the ability to successfully deploy technology in the State of Texas. Since the 2005 annual report, the QAT focused specifically on three project factors to help the state's major information resource projects reach their intended outcomes. The three factors are functionality, budget, and time.

This past year, while providing oversight on major information resource projects, the QAT observed three main issues as follows:

- In some cases project outcomes and outputs are not being met. A primary reason often attributed is a lack of an effective contract that clearly delineates expected vendor performance;
- Initial establishment of some Major Information Resource projects include an inordinately long time frame for completion along with an extremely wide scope of deliverables, and;
- Agency re-engineering and migration projects are more likely to be high risk, large expenditure projects.

The QAT Annual Report will be available on the LBB website at http://www.lbb.state.tx.us. If you have any questions, please contact John O'Brien or Richard Corbell of the Legislative Budget Board at (512) 463-1200, John Keel or Ralph McClendon of the Office of the State Auditor at (512) 936-9500, or Larry Olson or Dustin Lanier of the Department of Information Resources at (512) 475-4700.

Attachments

ANNUAL REPORT

LEGISLATIVE BUDGET BOARD

OFFICE OF THE STATE AUDITOR

DEPARTMENT OF INFORMATION RESOURCES

DECEMBER 2006

Summary

The Quality Assurance Team (QAT) identifies information technology projects from agency and university Biennial Operating Plans that meet certain criteria. Specifically, an information technology project must have development costs greater than $1 million and meet one or more of the following criteria: (a) requires a year or more to reach operational status; (b) involves more than one agency or governmental unit; or (c) materially alters the work methods of agency or university personnel or the delivery of services to agency or university clients. This definition also includes any information resources technology project designated by the Legislature in the General Appropriations Act as a major information resources project. QAT activities include: review of these projects; research, agency, and legislative assistance; and project monitoring.

During calendar year 2006, 50 projects representing $772.1 million in technology investments were subject to the QAT monitoring process. Investments in major information resource projects have increased since the last annual report. There are 44 projects actively monitored, one project is on hold and will begin this fiscal year, and five projects have been completed. Appendix A provides details for monitored projects. The monitoring reports are self reported documents from agencies and universities that are generally received quarterly after the project is initiated. Appendix B provides information for all completed projects and Appendix C shows the only project on hold at this time.

The QAT completed several site visits within the last year, including the Department of Public Safety's Crash Records Information System; the Department of Criminal Justice's Offender Information Management System Phase Three, Period One; the Department of Family and Protective Services' Adult Protective Services Mobile Caseworker Project; and others. As the QAT monitors projects, some projects stand out because of their complexity or significant impact on state government and the business processes of the affected agency or university. These projects may warrant more scrutiny than other monitored projects and are placed on a more frequent review cycle. Further information on these and other site visits can be found on page 7.

QAT identified several issues with projects during monitoring. In some cases, vendors have not met their contractual obligations after the contract has been initiated. The QAT has experienced this trend with the Railroad Commission's Oil and Gas Migration System project, the Department of Public Safety's Crash Records Information System project, and several projects within the Department of Transportation. In some cases contracts are written in such a way which allows vendors to exit without fulfilling their intended responsibilities. Sometimes agencies are not identifying the complete scope of the project. Agencies should take the time necessary to analyze their business needs instead of relying on a vendor to define the magnitude of the system. This report specifically addresses three main issues that seem to occur in troubled state projects. The issues are:

- Project outcomes and outputs are not being met, with a primary reason often being a lack of an effective contract that clearly delineates expected vendor performance;
- Initial establishment of some Major Information Resource projects include an inordinately long time frame for completion, along with an extremely wide scope of deliverables; and
- "Reengineering" and "Migration" projects are generally high risk.

Issues and Observations

Issue:
One dynamic present in many projects considered high risk is the lack of an effective contract that clearly delineates expected vendor performance and business outcomes in general.

Observation:
Most major information resource projects use the services of one or more contractors to provide necessary technical skills to develop and implement complex hardware and software systems. It is up to individual agencies to contract for the acquisition of these services while also balancing costs with needed quality and acceptable risk. Unless an agency has funds to hire expertise in contract development and negotiations, it may be at a disadvantage when dealing with vendors that undertake contract negotiations on a frequent basis. There is a need for agencies to have access to expertise and examples in developing explicit statements of work and contract terms and conditions.

Status:
The Contract Advisory Team, comprised of staff from the Building and Procurement Commission, the Office of the Attorney General, Comptroller of Public Accounts, the Department of Information Resources, and the State Auditor's Office, jointly published the *State of Texas Contract Management Guide* in October 2004. This guide provides practical suggestions and best practices to help agencies' improve their contracting processes. In addition, the Department of Information Resources developed and enhanced contract management guidelines consistent with the Texas Project Delivery Framework. The Department of Information Resources developed a specific technology contracting addendum in the contract management guide. The addendum was published in June 2006.

Issue:
Another dynamic present in high risk projects is an inordinately long time frame for completion along with an extremely wide scope of deliverables.

Observation:
Most major information resource projects are large, complex projects that include multiple, somewhat interrelated functionalities. Successful projects can achieve meaningful outcomes within a two-year period by closely managing the scope of the project.

Status:
Requiring agencies to manage their projects in smaller intervals encourages tighter management of deliverables and allows regular oversight by the Legislature. The QAT has met with some agencies and have recommended that these agencies should consider breaking their project into smaller manageable portions. Recent results indicate that projects are most likely to deliver on commitments when they are broken into two-year increments with clear scopes. This gives sufficient time for meaningful progress, and encourages accountability and outcomes each legislative session. For projects that may take multiple biennia, multiple two-year projects can be described and linked. But all efforts should be made to plan for clear, stand-alone outcomes every two years.

Additionally, projects that take time to establish requirements and establish performance measures related to deliverables are more likely to succeed, as opposed to open ended time and material contracts.

Issue:
A final dynamic is that those projects whose major desired outcome is "reengineering" or "migration" tend to become high risk projects.

Observation:
Projects whose primary goal is based on a transition tend to increase priorities and are easily sidetracked by adding functionalities that are not needed for the actual transition. It may make sense to convert everything from one operating system to another. But it is typically imprudent to think it all must be done within the scope of a single project. It can be more time consuming, but converting one element and assuring its success before starting the next can end up being a smoother thoroughfare to completion than trying to convert everything at the same time.

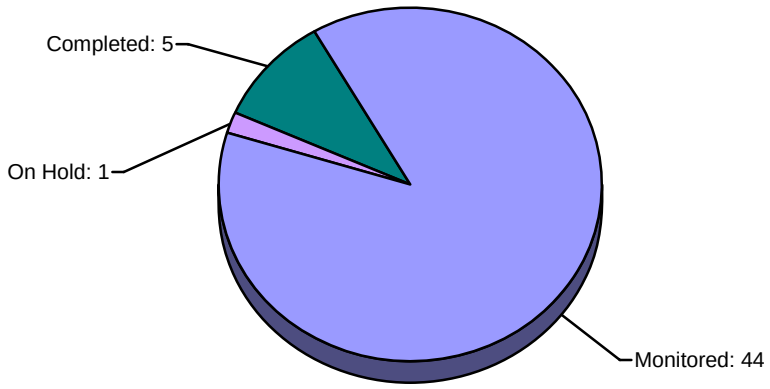
Status:
Agencies requesting projects for reengineering or migration should be strongly encouraged to consider establishing a very tight controlled set of work methods in a two-year maximum timeframe.

Project Review and Monitoring Activity

Although the State's oversight has increased in major information technology projects, budget pressures still demand that agencies provide more services to the State's growing constituents for less cost. The appropriate deployment of technology has historically provided both the private and public sectors with the ability to improve efficiencies and increase service. Some agencies continue to face challenges in maintaining their existing information technology infrastructure. This leaves limited resources to dedicate to identifying opportunities for new technology investment that would result in improving the cost-effectiveness of government services.

Figure 1 shows the status of projects subject to QAT oversight.

Figure 1: QAT Projects by Status



As information relating to projects changes, the monitoring status of these projects may change during the fiscal year. Monitoring encompasses various activities, including participation in project steering committee meetings, reviewing project schedules and expenditures, and/or providing oversight and consultation to the project team.

The QAT assigns a level of risk to all projects that meet oversight thresholds based on an initial review of information provided in the Biennial Operating Plan, the Texas Project Delivery Framework's project information, and knowledge of the agency developing the project. The level of risk is determined through a multiple step process of evaluating project risks, the risks' potential impact on the success of the project, and the possible consequences of failure. Projects receive risk ratings of high, medium, or low. These ratings and the corresponding level of monitoring can change as the project progresses.

High-risk projects are projects that are currently assigned the highest level of QAT oversight. All high-risk projects provide the QAT with periodic reports that detail progress, changes in cost and schedule, changes to risk, and changes to scope. Medium-risk projects are projects that warrant requests for additional reporting to the QAT (for example, risk analysis questionnaires, project plans, and/or previous monitoring). In some instances, based on the nature of the project, the QAT waives low-risk projects from review. Currently there are 13 projects that are considered low risk; however, all are being monitored quarterly.

Figure 2 illustrates the number of projects subject to QAT review by risk level.

Figure 2: Number of Projects at Each Risk Level

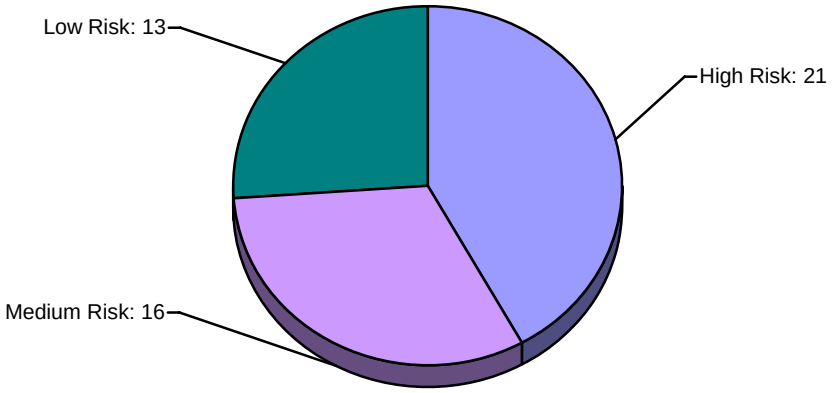
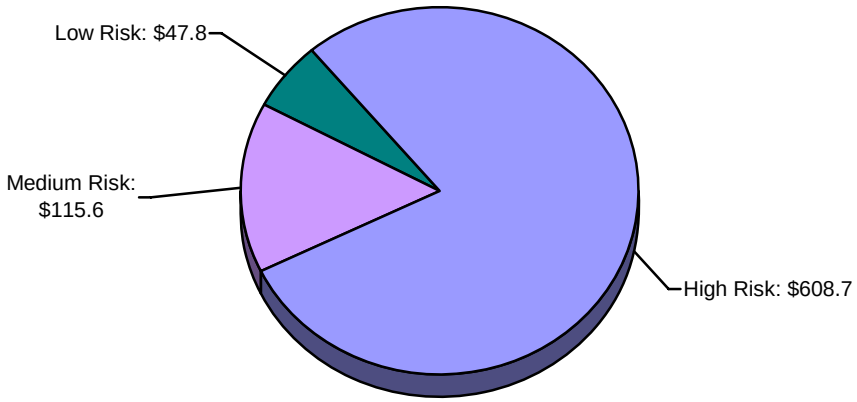


Figure 3 depicts the project costs (rounded) associated with projects in each risk level. Total project life cycle costs for all projects subject to QAT oversight is $772,167,450. Life cycle costs include all costs over the development of the project – from inception to implementation – and usually cover more than one biennium.

Figure 3: Total Project Life Cycle Costs by Risk Level
(in millions of dollars)



Appendix A provides additional information about the status and life cycle costs of each monitored project as reported in the respective agency/university's Biennial Operating Plan, Texas Project Delivery Framework, or current monitoring report. Information includes initial estimates of cost, benefit, and implementation date for projects compared to current project estimates.

Site Visits:

The QAT conducted several site visits or meetings with the agencies. The following are short summaries of each visit.

Department of Public Safety
Crash Records Information System

The Department of Public Safety and the Department of Transportation have joined together to develop the Crash Records Information System (CRIS). The CRIS project will allow a Web-based application to access a database containing crash record information from remote locations. This updated technology will provide improved reporting capabilities, enhance safety, and improve decision-making for law enforcement and transportation planning efforts.

The CRIS project is near completion. There are two essential components of the project that need to be completed before the CRIS can function as intended. Request for Offers have been issued for these two components.

The Department of Public Safety has accepted the CRIS as complete from the development phase and addressed any issues presented by the system before it was moved to a production environment. The CRIS began its rollout in September 2006 in San Antonio and Austin.

Department of Criminal Justice
Offender Information Management System Phase Three, Period One

The Offender Information Management System (OIMS) re-engineering project is a broad-scale redesign of the methods that the Department of Criminal Justice uses to maintain offender information. The Department of Criminal Justice currently stores offender records in paper form. The goal is to eliminate the need for paper-record storage by imaging current paper forms, which would allow faster record retrieval and greater record security.

The project was divided into three phases. Phase I was the evaluation of the processes being used prior to OIMS. Phase II was the design of the structure of a new information system. Phases I and II are both complete. Phase III, the current and final phase, covers the development and implementation of the new systems. Phase III has been divided into two periods. Period one covers the parole portion of the process. Period two, which is not included in this QAT project, includes incarceration. Parole was selected to be completed first because timely and accurate access to information about paroled offenders was prioritized over that for incarcerated inmates for security reasons.

Rider 32 of the Department of Criminal Justice's appropriation bill pattern requires that period one implementation be certified as complete before funds can be spent for the next period of OIMS.

Department of State Health Services
Women, Infants and Children Electronic Benefits Transfer

A limited review of the Department of State Health Services' Women, Infants and Children (WIC) Electronic Benefits Transfer project indicates that the card used to distribute and redeem client benefits appears to be functioning as originally intended. All three phases of the project are estimated to cost $22.2 million ($15.1 million has been expended to date), and complete deployment to all 254 counties in the state is expected by the end of 2009.

WIC program staff estimates that the continued deployment after the new card has been procured will begin during February 2008. That process is estimated to take 15 to 20 months. The statewide rollout is expected to be completed 12 to 15 months after the February 2008 procurement.

Department of Transportation
Licensing, Administration, Consumer-Affairs, Enforcement

The Licensing, Administration, Consumer-Affairs, Enforcement (LACE) system project is expected to exceed its estimated cost of $8,645,780 and its estimated finish date of February 2007. The estimated project cost is expected to increase by an unknown amount with the approval of required change items. All project objectives are not expected to be ready by the estimated finish date. On October 6, 2006, the vendor for this project, Systems Evolution Inc, abandoned their obligations to the project.

Difficulties with the current vendor have contributed to the cost overruns and time delays. In fact, the cost estimates shown are lower than actual because the LACE project team has used internal resources to supplement the vendor's work but has not attributed all of the associated internal expenses to the project. The Department of Transportation has contingency plans for completing the project without the current vendor, which could increase the project's cost by an additional $456,000 and extend its finish date.

Railroad Commission
Oil and Gas Migration

This project originally began in October 2002 with completion set for August 2005 and was broken out in two phases. The goal for phase one, or the "Business Process Reengineering Phase," was to streamline business processes, prioritize the conversion of Oil and Gas databases to the open systems environment, and develop alternatives for staged implementation of Oil and Gas databases to the open systems environment. The goal for phase two was to develop two stand-alone application modules that totally replace their respective mainframe system functionalities and implement the new business model created in phase one.

While the goals may not have necessarily changed, the scope, budget, and time increased to produce a high risk project that deviated greatly related to the original project plan.

The QAT met with representatives of the Railroad Commission and discussed how the agency could properly manage the Oil and Gas Migration (OGM) project with regards to scope and budget. In their response, the Railroad Commission made the decision to completely re-think its way of migrating software applications off the mainframe.

As a result of the Data Center Consolidation initiative and under the suggestions made by the QAT, the Railroad Commission is adopting smaller, incremental, and more specific information resource technology projects. The core goal of the OGM project has shifted from a multi-year planning horizon to projects with short time frames that are more manageable with clearly defined scopes. The current OGM project work will end August 31, 2007, although with a smaller set of outcomes than were originally planned to be delivered with the project.

Department of Family and Protective Services
Adult Protective Services Mobile Caseworker Project

Currently, the Adult Protective Services Mobile Caseworker Project or Mobile Protective Services (MPS) is operating in both the Adult Protective Services and Child Protective Services divisions at the Department of Family and Protective Services. During fiscal year 2007, MPS will also become operational for staff who investigates Adult Protective Services Facility Centers (which primarily serve mental heath, mental retardation clients). The mental heath, mental retardation portion of the implementation is an extension of the contract with Accenture.

The work on MPS started in January 2005. The project was completed and implemented in January 2006. The project has all of the key features listed in the agency's Biennial Operating Plan project description.

Background

The QAT originated in Senate Bill 381 (73rd Legislature) and in the General Appropriations Act (73rd Legislature). Its existence has continued under the General Appropriations Acts of the 74th through 79th Legislatures. In addition, Senate Bill 1701 (78th Legislature) codified several duties of the QAT in the Texas Government Code.

QAT responsibilities include establishing rules and guidelines to govern the quality assurance process and review of major information resources projects.

Texas Government Code, Sections 158, 118 and 1181-1183, and the General Appropriations Act (79th Legislature), Article IX, Sections 9.01 and 9.02, contain comprehensive details of all QAT responsibilities.

APPENDIX A: MONITORED PROJECTS

ARTICLE I – GENERAL GOVERNMENT

Agency:	**Attorney General, Office of the (OAG)**		
Project Name:	**Child Support Division's Texas Integrated Eligibility Reengineering System (TIERS) – Texas Child Support Enforcement System (TXCSES) Interfaces**		
Description:	Develop interfaces for data sharing with *Health and Human Services Commission*.		
Benefits:	Improve Child Support Division's (CSD) service delivery to clients, counties, district clerks, and the public though data sharing and data integrity.		
Status/ Explanation of Changes:	The Health and Human Services Commission (HHSC) continues to report that the Texas Integrated Eligibility Reengineering System (TIERS) statewide rollout and interfaces implementation is on hold. The Office of the Attorney General, Child Support Division's (CSD) TIERS/TXCSES Interfaces implementation schedule is dependent upon HHSC's schedule. Until HHSC's schedule is known, the CSD is using an estimated TIERS/TXCSES Interfaces implementation date to estimate costs and determine a work schedule. The CSD will continue using the reverse conversion process to communicate with TIERS and reduce future activities until notice from HHSC is received. Milestones are being tracked internally as well as QAT. However, the Milestone's schedule is based on the CSD's estimate of the HHSC's TIERS statewide rollout and interfaces implementation. The CSD's schedule is dependent on HHSC's TIERS statewide rollout and interfaces implementation schedule and therefore, may change once HHSC announces its plans and schedule.		
Project Risk:	High	**Current Expenditures:**	$929,494
Original Timeline:	10/01/01 – 08/31/05	**Current Timeline:**	10/01/01 – 09/01/08*
Initial Projected Costs:	$5,562,904	**Current Projected Costs:**	$3,622,505*

** Project Timeline and Budget continue to fluctuate.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Office of the Comptroller of Public Accounts (CPA)**		
Project Name:	**HB3 Margin Tax Project**		
Description:	The revisions to the existing franchise tax (HB3) were instituted by the 79th 3rd Called Session of the Texas State Legislature. HB3 will require a significant rewrite of the agency's tax systems. The tax systems will be enhanced for the benefit and use of all franchise taxpayers and the Comptroller of Public Accounts staff tasked with implementing the bill and subsequently supporting the collection and remittance of the tax. The three objectives of this project are to identify and notify potential taxpayers, implement and administer a special information report to a subset of taxpayers and implement and administer the franchise tax revisions.		
Benefits:	The benefits from the HB3 project are increasing the tax base for public school funding and provide an opportunity for expanding taxpayer's ability to report electronically.		
Status/ Explanation of Changes:	Taxpayers may interface electronically with the CPA to file their tax returns, public information reports and payment information. Most divisions with the Comptroller's Office will interface with the outputs of this project. Most of the interfaces currently exist and will be updated to provide additional information. The Secretary of State, Business Filings Division will continue to receive information report data. The Comptroller of Public Accounts (CPA) will make modifications to the current tax systems to utilize information needed for the margin taxpayers provided by the Secretary of State. The CPA will provide revenue and statistical information to the Governor's Office and the Texas Legislature.		
Project Risk:	Low	**Current Expenditures:**	$17,235
Original Timeline:	09/01/06 – 08/16/09	**Current Timeline:**	09/01/06 – 08/15/09
Initial Projected Costs:	$4,988,633	**Current Projected Costs:**	$4,988,633

APPENDIX A: MONITORED PROJECTS

Agency:	**Office of the Texas Secretary of State (SOS)**		
Project Name:	**TEAM (Texas Election Administration Mgmt) System Implementation Project**		
Description:	Federal Help America Vote Act of 2002 (HAVA). This act requires the state to implement a single, unified, official, centralized, interactive, computerized statewide voter registration list that is defined, maintained, and administered at the state level.		
Benefits:	Help America Vote Act Training and Technical Assistance to Assist Protection and Advocacy Systems to Establish or Improve Voting Access for Individuals with Disabilities.		
Status/ Explanation of Changes:	The supplied product from Hart (vendor) to be integrated using IBM's methodology is not complete yet but is expected at fiscal year end. The agency states that the Voter Registration (VR) parts are relatively well-formed and functioning as intended. Demonstrations of internal versions 6 and 8 at Focus Group meetings have been held with representatives from 15 counties. The Jury Wheel (JW) component plans are relatively small and are performing at expected rates, as stated by the agency. However, the Election Management (EMS) components are not demonstrable until late 2006 or 2007, and SOS has concerns over their architecture. Major code deliverables from Hart continue, yet parts of the overall architecture are still being understood by the agency and some requirements are still not fully implemented. This has caused the timeline to be extended from February 2006 to April 2007.		
Project Risk:	High	**Current Expenditures:**	$8,663,868
Original Timeline:	09/01/03 – 01/01/06	**Current Timeline:**	11/08/04 – 04/30/07
Initial Projected Costs:	$15,000,000*	**Current Projected Costs:**	$15,043,345*

** Includes implementation and four years of maintenance fees.*

APPENDIX A: MONITORED PROJECTS

Agency:	Department of Information Resources (DIR)
Project Name:	**State Data Center Services Project (DCS)**
Description:	Texas' largest state agencies currently operate over thirty data centers, including the San Angelo facility. With HB 1516 79(R) effective on September 1, 2005, DIR initiated the data center services project to strengthen the statewide infrastructure, reduce costs for data center services, and improve security and disaster recovery capabilities statewide . The DCS project brought 27 of the largest state agencies to coordinate and consolidate data center operations. These agencies developed detailed requirements for the DCS Request for Offer (RFO) issued March 31, 2006. Sixty evaluators from the participating agencies reviewed, assessed, and scored the responses. The RFO document and evaluation process closely follows industry-standard practices for data center outsourcings and was executed with support from Technology Partners International (Houston) and Mayer, Brown, Rowe, & Maw, LLP (Houston), two firms which specialize in technology outsourcing contracts. A Procurement Quality Assurance Team oversees all activities to ensure compliance with Texas procurement laws.
Benefits:	▪ Leverage economies of scale across the State of Texas ▪ Modernize the technology infrastructure ▪ Enhance information security levels ▪ Improve disaster recovery capabilities ▪ Provide the flexibility and agility to meet changing business requirements ▪ Provide services and service levels that meet the unique needs of each agency

APPENDIX A: MONITORED PROJECTS

Status/ Explanation of Changes:	On November 22, 2006, DIR signed a seven-year contract for data center services with IBM. DIR states the contract will deliver on all of the state's goals for the DCS project. Some of the contract's more important provisions are: DIR states the DCS will improve performance and facilities by the following: ▪ Increased physical and information security: 7/24/365 security guards, tightly controlled data access, security monitoring through state-of-the-art tools ▪ Strong performance standards, monitoring, and reporting ▪ Service Level Agreements with financial consequences for inadequate performance and continuous improvement mechanisms DIR's Statewide Technology Operations Division has begun the transition process with the 27 participating agencies. This includes: ▪ Employee Information Sessions for all affected employees, distribution of offer letters, and Benefits Information Sessions. ▪ Contract management training for Customer Representatives, IT Directors, and Agency Liaisons from the 27 agencies. ▪ Establishing the governance structure for continued agency involvement. ▪ Coordinating receipt and review of individual agency transition plans and transformation plans. ▪ Finalizing chargeback methodology and coordinating Federal government approvals. The project will transition to ongoing operations at the expiration of the current contract for data center services (August 31, 2007). The Statewide Technology Operations Division will continue to manage the sourcing relationship for the seven-year life of the contract.

Project Risk:	Medium	**Current Expenditures:**	$4,780,133*
Original Timeline:	09/01/05 – 08/31/14	**Current Timeline:**	09/01/05 – 08/31/14*
Initial Projected Costs:	$16,009,278	**Current Projected Costs:**	$16,009,278

** Expenditures taken from agency Information Technology Detail Plan and are for FY 2006 only.*
** Dates were taken from agency Information Technology Detail Plan 80th Legislative Session.*

APPENDIX A: MONITORED PROJECTS

ARTICLE II – HEALTH AND HUMAN SERVICES

Agency:	**Health and Human Services Commission (HHSC)**		
Project Name:	**Enterprise Health Insurance Portability and Accountability Act (HIPAA)**		
Description:	HIPAA is a multi-agency project under HHSC project direction that will coordinate implementation of HIPAA privacy and security rules and ensure compliance with Electronic Data Interchange (EDI) standards specified in 42 Code of Federal Regulations (CFR).		
Benefits:	HIPAA rules will result in modifications to policy and procedures, processes, automation systems, and software. Contractors that perform business functions on behalf of Medicaid or CHIP will be required to modify existing systems and/or processes to comply with HIPAA standards. Testing with providers and other entities will require significant planning and resource allocation by Medicaid and CHIP. When possible, HIPAA privacy and security rules will be implemented in conjunction with other state agencies, and compliance with state standards will also be instituted. Activities include systems assessment, analysis, requirements, specifications, remediation, testing, and implementation. Priorities include (1) HHSC, Department of Aging and Disability Services (DADS), and Department of State Health Services (DSHS) programs/systems that are covered by HIPAA and (2) coordination with related Department of Family and Protective Services (DFPS) and Department of Assistive and Rehabilitative Services (DARS) programs/systems and external entities (e.g., health services providers). Health and human services contractors that operate Medicaid or CHIP systems are required to comply with HIPAA.		
Status/ Explanation of Changes:	Compliance with HIPAA security rules was required by April 20, 2005. Compliance with National Provider Identifier (NPI) rules is required by April 23, 2007. The agency has completed several key components, including the completion of security assessments of all health and human services agencies, gap analysis for all health and human services agencies, and development of draft remediation plans for all agencies. As a result of data gathered during the assessment phase, the NPI solution will be scoped to complete the project by the end of the current fiscal agent contract. Also due to negotiations with Center for Medicare & Medicaid Services (CMS) for enhanced funding, some tasks initially included in "implementation" were moved to a new analysis phase. HHSC is still in negotiations with CMS over Cost/Scope of the Implementation phase. Costs have decreased primarily due to implementation of the security module. The module was over estimated at time of project initiation.		
Project Risk:	High	**Current Expenditures:**	$6,047,694
Original Timeline:	09/01/03 – 08/31/05	**Current Timeline:**	09/01/03 – 04/30/07**
Initial Projected Costs:	$ 17,115,196*	**Current Projected Costs:**	$ 16,178,112

** Original start date and costs were taken from the agency's Biennial Operating Plan 78(R).*
*** Project Timeline has increased.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Health and Human Services Commission (HHSC)**		
Project Name:	**Texas Integrated Eligibility Reengineering System (TIERS)**		
Description:	Replacement of multiple eligibility applications and improvement of business processes through the expansion of change centers and fraud prevention tools.		
Benefits:	• Quicker staff access to client data and eligibility determination; • More timely, precise information allowing for better informed decisions; • Better, automated communication among state and federal agencies; • Improve fraud prevention methods; and • Facilitate changes to system rules due to legislation, regulations, and policy.		
Status/ Explanation of Changes:	TIERS is still at 97% completion of requirements and the agency states that they have completed all development portions of the system. The agency is continually closing outstanding interface defects. The deployment strategy and SAVERR transition to TIERS will be determined by the outcome of Integrated Eligibility (IE) decisions made by the agency. Deloitte Consulting is working with Accenture during knowledge transfer sessions for further development and operations providing a walk through of the TIERS conversion process to Accenture along with system documentation. Three key risk factors have been identified by HHSC and the agency has accomplished a mitigation plan of the following: • Developed a tracking system to monitor individuals who apply (either online or through the mail) for the Medicare Rx Extra Help with the assistance of HHSC staff. • Developing requirements for Low Income Subsidy on Medicare Part D. • Developing a method to translate the Drug Plan number into a Plan Provider name in order for staff to effectively assist clients. All expenditures have been made for this project and the QAT received a verbal confirmation that a Post Implementation report will be received in November 2006. Information is being used from the last Monitoring Report received from the agency in September 2006. However, information in the monitoring report has not been updated by the agency since August 2005.		
Project Risk:	High	**Current Expenditures:**	$296,736,899
Original Timeline:	06/09/97 – 08/31/04	**Current Timeline:**	09/01/99 – 10/31/06
Initial Projected Costs:	$317,569,234*	**Current Projected Costs:**	$296,736,899

** Reflects reporting in the Biennial Operating Plan 77th Legislative Session*

APPENDIX A: MONITORED PROJECTS

Agency:	**Health and Human Services Commission (HHSC)**		
Project Name:	**Pharmacy Software System Replacement Project (WORx)**		
Description:	The goal of this project is to select and implement a new, equally functional, and fully supported pharmacy system for use by the HHSC state facilities. HHSC's work methods and service delivery system will change little as a result of the new system.		
Benefits:	The main opportunity for improvement is through the interfacing of the new pharmacy system with the Clinical Record System.		
Status/ Explanation of Changes:	HHSC found that the claims adjudication had errors that did not allow its use for Medicare Part D. A temporary solution outside of WORx was found for billing for claims. The vendor provided a useable release late summer of 2006. HHSC is currently deploying the project and has found that the system has experienced poor performance. Many of the workstations are older mid 90's Pentium II models. The agency created a performance workgroup to evaluate performance issues. This will involve the evaluation of everything from the workstation, WAN, lines, routers, database configuration. HHSC has identified the problem area with the network. Higher bandwidth did improve day-to-day performance at the facility that received it but episodes of poor performance still persist. WORx Overall Percent Complete: 98%.		
Project Risk:	High	**Current Expenditures:**	$2,699,690
Original Timeline:	09/01/02 – 02/28/04	**Current Timeline:**	09/01/02 – 10/30/06*
Initial Projected Costs:	$ 2,500,000	**Current Projected Costs:**	$ 3,360,271*

** Project Timeline and Budget has increased.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Department of Family and Protective Services (DFPS)**		
Project Name:	**Child Protective Services (CPS) Reform Project**		
Description:	Executive Order RP 35, issued by Governor Rick Perry on July 2, 2004, directed HHSC to conduct a comprehensive review of DFPS' CPS program and implement reform directives. The executive order requires HHSC to review CPS case files, state laws and policies, administrative practices and organizational structure, and agency relations with law enforcement and local communities. The CPS reform project has been broken out into five separate projects. Each project is tracked with milestones and expenditures. However, the QAT is reporting all projects in this one area. The five projects consist of the following. Mobile Caseworker-CPS Reform, IMPACT-CPS Reform, IMPACT Improvements, IMPACT Hardware-CPS Reform, and Telemedicine-CPS Reform.		
Benefits:	Specific goals of CPS renewal include: ▪ Improve the ability of caseworkers to promptly investigate allegations of child abuse and neglect, accurately determine whether abuse or neglect occurred, and protect children. ▪ Engage the private sector to provide placement and permanency services to children and families and focus the CPS program on its primary mission of ensuring child safety. ▪ Maximize the effectiveness and efficiency of resources by reducing workloads, relieving workers of administrative tasks, providing technology to optimize efficiency, and improving supervision. ▪ Enable investigators to focus more time on cases that are likely to involve child abuse or neglect by enhancing screening processes to screen out intake reports that do not warrant a full CPS investigation.		
Status/ Explanation of Changes:	Mobile Caseworker System-CPS Reform - Statewide deployment of tablet Personal Computers to CPS caseworkers began during fiscal year 2006. IMPACT-CPS Reform & IMPACT Improvements – Vendor contract for development services approved and signed. Joint Application Requirements (JAR) sessions began July 2006. IMPACT Hardware-CPS Reform – This project continues in the planning and assessment stage. Telemedicine-CPS Reform - The project continues in the planning stage.		
Project Risk:	Medium	**Current Expenditures:**	$1,121,523
Original Timeline:	09/01/05 – 08/31/07	**Current Timeline:**	09/01/05 – 08/31/07
Initial Projected Costs:	$22,318,264*	**Current Projected Costs:**	$22,318,264*

** Reflects costs for all five projects.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Department of State Health Services (DSHS)**		
Project Name:	**Clinical Management for Behavioral Health Services**		
Description:	DSHS is developing an integrated clinical management and claims processing system for behavioral health care services. This project will include a thorough analysis of existing data system functionalities and architectures in the development of a cost-effective solution. It will also incorporate strategies to integrate mental health and substance abuse data. Due to the high co-occurrence of substance abuse and serious mental illness, clinical information systems must support a new integrated approach to service delivery.		
Benefits:	Once the project is deployed provider staff time required for coordination of care for clients assessed for both mental health and substance abuse services will be drastically reduced. Efficiencies will be seen in several areas. These are: • Data entry and system prompts ensure timeliness of service. • Reductions in time counselors must spend reviewing paper files. • The system will automatically collect required reporting data during the clinical process. With consent of the client, counselors from different agencies can share important client information in real time to better serve the client and reduce administrative time. The process of sharing client information at present typically ranges from several hours to weeks per client		
Status/ Explanation of Changes:	Analysis completed in Phase One of the business requirements and technical implementation strategies for a distributed system to support Clinical Management for Behavioral Health Services. Key decision points presented to project executives for consideration in future phases of the project.		
Project Risk:	Low	**Current Expenditures:**	$133,235
Original Timeline:	09/01/05 – 08/31/07	**Current Timeline:**	09/01/05 – 08/31/07
Initial Projected Costs:	$1,178,188	**Current Projected Costs:**	$1,178,188

APPENDIX A: MONITORED PROJECTS

Agency:	**Department of State Health Services (DSHS)**		
Project Name:	**Enhance and Optimize WIC Client Service Delivery Project**		
Description:	The Women's, Infants and Children - WIC Information Network (WIC-WIN) project is a major analysis/redesign effort to look at the current statewide WIC automation system. The WIN Evolution project involves replacing the current WIC Information Network (WIN) with a State Agency Models (SAM). A modernized system is required to improve program effectiveness for both contractors and clients and to meet USDA requirements for MIS including Electronic Benefits Transfer (EBT) delivery of client benefits. The current WIN system was deployed in 1995 using a now-obsolete programming language (FoxPro for DOS) for the field applications.		
Benefits:	The main benefits of this project is to provide an improved Texas WIC system that will improve customer service; replace the legacy WIC system; maximize new technologies to improve functionality and service; strengthen controls/accountability of information to enhance reporting; improve the timeliness of data for key management decisions; minimize the potential for fraud and abuse; decrease training and technical assistance time; increase clinic efficiencies; and enhance the State's ability to handle EBT data.		
Status/ Explanation of Changes:	In 2008-09, the WIC EBT Infrastructure project will overcome the remaining impediments to statewide rollout. The expansion of WIC EBT statewide will complete the agency's conversion from a paper based voucher system to a plastic card. With regards to the WIN Evolution project the majority of the capital authority for FY06-07 for the "Enhance and Optimize WIC Client Service Delivery Project (WIC-WIN)" (known as "WIN Evolution") will not be utilized during this biennium. Capital authority was requested for FY08-09 which will provide the majority of the funding needed to design, develop, and implement WIN Evolution (although it is expected that additional capital authority will be requested for the FY10-11 biennium. WIN Evolution was planned to be started towards the end of the WIC EBT Infrastructure project in order to better utilize resources.		
Project Risk:	High	**Current Expenditures:**	$40,336
Original Timeline:	07/13/06 – 06/30/10	**Current Timeline:**	07/13/06 – 06/30/10
Initial Projected Costs:	$24,899,000	**Current Projected Costs:**	$24,899,000

APPENDIX A: MONITORED PROJECTS

Agency:	**Department of State Health Services (DSHS)**		
Project Name:	**Public Health Lab Information Management System Project (PHLIMS)**		
Description:	The Public Health Lab Information Management System Project will be able to link with other Lab Information Management System (LIMS) in the Bureau of Laboratories to allow data sharing between systems. These systems include the Newborn Genetic Screening System, the Environmental LIMS, the clinical chemistry system as well as link with other agency laboratories, the ASH laboratory, Women's Health Laboratory, and the South Texas Health Care Center Laboratory.		
Benefits:	The current system is reported to be obsolete, difficult to update, not integrated with laboratory instruments and cannot readily import or export laboratory data. The new system would be one that is compliant with Public Health Information Network and system processes will integrate with laboratory instruments and allow customer access to their data. The agency states that improved efficiency in data entry, reporting and statistical analysis, tracking of testing, laboratory quality, and improved turn around time. The system would allow for the re-allocation and/or reduction of staff and improve health/safety of the public due to better data analysis and reporting of diseases.		
Status/ Explanation of Changes:	The current Epic Cohort-Resolute system will be replaced with a modern Public Health Laboratory Information Management System (PHLIMS) and an integrated billing system. The system will be a modifiable-off-the-shelf (MOTS) solution provided by the vendor who will configure it to meet DSHS needs, will develop the required test equipment and external system interfaces, and will provide data migration of data from systems that are replaced.		
Project Risk:	Low	**Current Expenditures:**	$30,474
Original Timeline:	09/01/05 – 08/31/07	**Current Timeline:**	09/01/05 – 08/31/07
Initial Projected Costs:	$2,254,920	**Current Projected Costs:**	$2,254,920

APPENDIX A: MONITORED PROJECTS

Agency:	**Department of State Health Services (DSHS)**		
Project Name:	**WIC Electronic Benefits Transfer Phase II (Pilot and Deployment Project)**		
Description:	WIC EBT II is the next project phase within an umbrella initiative undertaken by the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) in Texas to replace the current-paper-based voucher food benefit delivery process with a card-based electronic benefits transfer (EBT) process. This initiative will increase operational efficiencies and controls for the Department of State Health Services (DSHS) as the administering agency and for participating grocers while improving the quality of service provided to WIC benefit recipients.		
Benefits:	The main benefits of this project is to provide an improved Texas WIC system that replaces the aging Texas WIN (WIC Information Network) system with a new system that is compliant with the U.S. Department of Agriculture (USDA) Functional Requirements Document for a Model WIC System With EBT/ESD (FReD-E), in order to: • Allow more customers to be served through efficiencies in the clinics and improve service to all customers • Maximize newer technologies to improve functionality and service; • Achieve interoperability goals; • Provide more accurate data; and • Minimize potential for fraud and abuse.		
Status/ Explanation of Changes:	At the time of the submission of the FY06-07 Legislative Appropriations Request (LAR), the project was planned to be completed in two phases. In the first phase, WIC would procure a contractor to research management information system (MIS) alternatives, conduct a feasibility study and make recommendations for procuring or developing the new system. In the second phase, the system would be implemented in accordance with the accepted recommendation. Meanwhile, under the WIC Program State Agency Model (SAM) initiative, the USDA's Food and Nutrition Service (FNS) established three consortia of states to each plan, develop, and deploy a State Agency Model (FReD-E compliant) system.		
Project Risk:	Low	**Current Expenditures:**	$281,185
Original Timeline:	09/01/05 – 08/31/07	**Current Timeline:**	09/01/05 – 08/31/07
Initial Projected Costs:	$4,305,960	**Current Projected Costs:**	$4,305,960

APPENDIX A: MONITORED PROJECTS

Agency:	**Department of Assistive and Rehabilitative Services (DARS)**		
Project Name:	**Consumer Case Management System**		
Description:	Develop a web-based consumer case management system that meets the business requirements required to support the Rehabilitative Services and Blind Services Divisions for the Department of Assistive and Rehabilitative Services (DARS). This system will replace the existing case management applications developed under the legacy Texas Rehabilitation Commission and the legacy Texas Commission for the Blind.		
Benefits:	By moving to one DARS case management system, there is the potential to save on hardware, software, and maintenance (i.e., staff, etc.) costs. Additionally, the ability to share information across programs has the potential to save time and money as well as guard against fraud. Benefits gained through a consolidated consumer support system will provide broader access to consumer information by establishing one enterprise database that is accessible by one application for both DARS divisions. The system will create a streamline reporting process by combining enterprise data warehouses. Improvement in administrative communications through the use of common terminology and technology platforms.		
Status/ Explanation of Changes:	The design/development start date was delayed due to the competitive procurement process. The decision was made by the agency in June 2006 to outsource some architectural and technical system support and use in-house developers to build the system. This delay impacted the final implementation date which is now targeted for August 2008. There is no increase in the total cost of the project. This project has been conducted in two phases. The primary deliverables of Phase 1 were publishing the Request for Offer (RFO) and making a procurement decision. The primary deliverables of Phase 2 are development and implementation of the application. The milestones listed in the project plan are very high level as Phase 2 of this project is still in the planning stage and the project plan is currently being developed.		
Project Risk:	Low	**Current Expenditures:**	$160,000*
Original Timeline:	05/09/05 – 08/31/07	**Current Timeline:**	05/09/05 – 08/31/08
Initial Projected Costs:	$2,436,400	**Current Projected Costs:**	$2,638,000

** Estimated expenditures taken from the 08-09 Legislative Appropriations Request.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Department of Aging and Disability Services (DADS)**		
Project Name:	**State School Telecommunication Project**		
Description:	The project will replace the telephone Private Branch Exchange (private telephone switchboard) (PBX) system and outside cable for Lufkin State School with a current model PBX system, digital telephones, integrated voice mail systems, call detail recording systems, and outside plant cabling that meets American National Standards Institute/Telecommunications Industry Association/Electronic Industries Alliance (ANSI/TIA/EIA) standards. Additionally software upgrades will take place at eleven (11) facilities and cable upgrades at six (6) facilities. All of these system replacements/upgrades are necessary to maintain current functionality of the telephone systems.		
Benefits:	Implementation of this project will address the future communications needs of DADS State Schools by bringing the telecommunications infrastructure up to date with the latest technologies. All system replacements/upgrades are necessary to maintain current functionally of the State Schools Telephone systems and maximum health and safety protection for DADS clients residing within our State School facilities.		
Status/ Explanation of Changes:	The new Lufkin PBX, the software upgrades, and the cabling are all made available to the State Schools through Statements of Work with vendors. Therefore, the quality of the project deliverables will be monitored two ways. • Contract Administration – HHSC Enterprise Contracts and Procurement Services (ECPS) is the authority for establishing DADS contracts with vendors. DADS IT Procurement and Contract Management assures that the terms and conditions of the contracts are met by the vendors, paying special attention to the section of the contract titled "Conditions and Acceptance Criteria." A specialist from DADS IT Procurement and Contract Management is assigned to the Core Product Team for this function. • Onsite installation oversight of all hardware, software and cabling being procured via any contract with any vendor – Oversight will be supplied by either the Telecommunications Specialist assigned to the project team, or by telecommunications DADS staff on each State School Campus. The Telecommunications Specialist has the authority to determine which role (Telecommunications Specialist or the State School's telecommunications staff) will perform the oversight. The determination will be made based on the needs of each State School.		
Project Risk:	Low	**Current Expenditures:**	$236,285
Original Timeline:	02/01/06 – 09/01/07	**Current Timeline:**	02/01/06 – 09/01/07
Initial Projected Costs:	$2,910,418	**Current Projected Costs:**	$2,910,418

APPENDIX A: MONITORED PROJECTS

ARTICLE III – EDUCATION

Agency:	**Texas Education Agency (TEA)**		
Project Name:	**Texas Records Exchange (TREx) System**		
Description:	Texas public schools transmit student records from one to the other and transmit high school transcripts to Texas public institutions of higher education. House Bill 1, 79th Texas Legislature, Third Called Session, added Texas Education Code (TEC) §7.010 which requires Texas public school districts to participate in an automated records exchange system to be implemented not later than the 2007- 08 school year. The Texas Records Exchange system (TREx) will enable districts and schools in Texas to request, send, and receive student records electronically using a common application accessed through the web.		
Benefits:	The current process for exchange of student records is manual and labor-intensive. TREx will reduce the time required to send and receive student records. TREx will also improve communication throughout the student records request life cycle. The proposed application will take advantage of features of new technology without requiring school districts to change their local student information systems.		
Status/ Explanation of Changes:	A Request for Offers (RFO) is being developed to obtain a vendor to create the Texas Records Exchange (TREx) system.		
Project Risk:	High	**Current Expenditures:**	$0*
Original Timeline:	09/01/06 – 04/01/08	**Current Timeline:**	09/01/06 – 04/01/08
Initial Projected Costs:	$3,225,000	**Current Projected Costs:**	$3,225,000

** At time of printing QAT Annual Report, no expenditures were reported by the agency.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Texas A&M University (TAMU)**		
Project Name:	**Enterprise Information Systems (EIS)**		
Description:	Texas A&M University (TAMU) will replace its current legacy Student system with a modern, technologically advanced information system. After completion of the Student system implementation, TAMU will replace the legacy HR/Payroll system with a new system. The project will also include the implementation of a Campus Portal to provide integrated access for faculty, staff, and students to a wide variety of campus systems. The project will also include a reporting data mart and data warehouse to improve current reporting capability. The project will now also include a campus-wide Oracle database license. The scope of the project will include TAMU in College Station, the branch campus in Galveston, the branch campus in Qatar, and participating Texas A&M System agencies based in College Station.		
Benefits:	Improved functionality in the new systems such as improved Financial Aid processing allowing earlier awards for students, greater flexibility in tuition and fee processing using rule-based tables, and system access that is secure and entirely web-based. Prior to concluding that new systems must be implemented, TAMU has also carefully considered alternative solutions such as writing the systems from scratch, which will be cost prohibitive. While the five-year project cost estimate of is a large amount, this cost amortized over the life of the new systems is not too significant for the functional benefits gained and the reduced operating risks. TAMU plans to keep the new systems in operations for at least fifteen years.		
Status/ Explanation of Changes:	The earliest stage in planning for the project was a needs assessment for new software to replace the existing legacy systems. Three separate internal task forces concluded that TAMU needed to replace legacy systems with a new system. A variety of stakeholders throughout the university participated on the task forces. TAMU is in the final stages of a procurement process to select the new systems. The procurement process may be completed as early as September 2006 or by November 2006. The project is expected to begin within a few months of completion of the procurement process. TAMU anticipates higher costs primarily due to higher staff costs and higher vendor costs since the original EIS cost estimate was created in 2003. After the cost data is finalized with the vendors, TAMU will provide updated cost information as part of the quarterly monitoring reports that TAMU will submit to the QAT once the project has begun.		
Project Risk:	Medium	**Current Expenditures:**	$0*
Original Timeline:	03/01/05 – 03/01/10	**Current Timeline:**	09/30/06 – 03/01/10
Initial Projected Costs:	$41,200,000	**Current Projected Costs:**	$41,200,000

** Project is on hold by the institution.*

APPENDIX A: MONITORED PROJECTS

Agency:	**The University of Texas Medical Branch at Galveston (UTMB)**		
Project Name:	**Administrative Systems Replacement Project, Phase III**		
Description:	The PeopleSoft project consists of the replacement of the HRMS payroll legacy systems with the corresponding PeopleSoft products. Contractors from PeopleSoft, RSA, PTG, Allied Consulting, BearingPoint and CedarCrestone have been engaged in this project. UTMB selected the PeopleSoft suite of products as a best of breed solution. The purchase was facilitated through the DIR contracts established at the time. Although other ERP vendors offered many positive features in the suites of products, PeopleSoft met the need of all areas. The pricing through DIR also proved this selection to be a cost effective one when compared against SAP, Lawson, etc.		
Benefits:	The University's long term goal is to move away from a mainframe environment toward an environment that more closely reflects changing industry standards and would allow more flexibility, reliability and user acceptability while providing a more favorable cost of ownership. UTMB should realize significant time savings in financial data management. A better reporting tool will streamline the reporting process and should help UTMB meet reporting deadlines. The integration offered by the system should help alleviate down on the number of duplicate systems.		
Status/ Explanation of Changes:	The project has been scheduled to end September 2006. Confirmation of the status has not been confirmed during the creation of this report. Once completion has been verified a Post Implementation Report will be requested from the institution. Internally UTMB, Administrative Systems partnered with Information Systems, Finance, Human Resources and the four campuses to provide leadership for the project. Although not a formal partnership information and communications were shared between the University of Texas Health Science Centers in Houston, San Antonio and Tyler as well as M. D. Anderson in Houston.		
Project Risk:	Low	**Current Expenditures:**	$8,956,943
Original Timeline:	06/01/05 – 09/30/06	**Current Timeline:**	06/01/05 – 11/30/06
Initial Projected Costs:	$12,200,000	**Current Projected Costs:**	$11,813,340

APPENDIX A: MONITORED PROJECTS

Agency:	**Lamar University - Beaumont**		
Project Name:	**LEAP System Upgrade for Enterprise Resource Planning (ERP)**		
Description:	Current Administrative ERP solution has existed beyond the software life cycle and needs to be replaced by technological advanced applications to accommodate and initiate modern data processing. All students, faculty, and staff at Lamar University utilize the Administrative systems. In order to accommodate today's web interfaces, extend system uptime, efficient cycle processes, electronic transaction transfers and processes, and utilization of relational databases requires new software and hardware purchases.		
Benefits:	The new software and hardware architecture will be utilized and shared by three campuses in South East Texas. The campuses are Lamar University, Lamar Institute of Technology, and Lamar State College Orange. These Systems and its applications and processes are utilized by faculty, students, and staff of the three campuses. The goal of the project is to implement state of art hardware and software Administrative systems and their applications to bring Lamar University data processing up to today's technology and to bring the benefits of that technology to the faculty, student, and staff population on three campuses in south east Texas. The Banner product is provided by SunGard SCT, and the hardware is provided by IBM and Sun Microsystems.		
Status/ Explanation of Changes:	In addition to the production configuration and applications, an on-site backup facility for Disaster Recovery Contingency plan will be implemented and maintained for the three campuses. Fiscal year 2007 is the target date for purchases of the hardware and software and selection and securing of project implementation resources. Software, hardware, and maintenance costs will be shared resources for data processing for three campuses in South East Texas. This project will require subject matter expert personnel resources allocated from all administrative departments on three campuses for approximately 3.5 years. The Administrative Systems project will be implemented in multiple phases, implementing each application system at a time. For example, the financial record system will be implemented followed by the human resources system, and lastly the student information system with strategically planned implementation concurrences to accommodate integration points shared by all application systems		
Project Risk:	Low	**Current Expenditures:**	$0*
Original Timeline:	09/01/05 – 12/31/08	**Current Timeline:**	09/01/06* – 12/31/08
Initial Projected Costs:	$4,105,900	**Current Projected Costs:**	$4,105,900

** Start date and expenditures delayed due to effects of Hurricane Rita*

APPENDIX A: MONITORED PROJECTS

Agency:	**Midwestern State University (MSU)**		
Project Name:	**New Enterprise Resource Planning (ERP) Software Solution**		
Description:	This project is to replace the current mainframe computer system (Sungard/SCT Plus), including financial, human resource and payroll, student services, financial aid, and budget software, to a web-based integrated system that will enhance services to the many constituencies across the campus 24 hours a day, 7 days a week. MSU's current administrative systems are between 15 and 20 years old with most of them close to the end of their life cycle. The software vendors who support these applications have indicated that they will be phasing out the support for these versions in the next couple of years. The new software will allow the university to remain compliant with all state required data feeds to Austin. The entire migration will be done in multiple stages over four years.		
Benefits:	The key benefits that MSU plan to achieve are as follows: • Standardize data and improve access to common timely information to facilitate decision making, leading to improved recruitment and retention of qualified students. • Improve access to information for students, alumni, faculty, and staff by providing self service tools that increase efficiency of communications and tailors information for each individual's specific needs. • Provide 24 hour by 7 days a week access to information for all end users. • Provide a secure personalized portal for students. • Increase capacity to recruit and retain quality employees. • Increase private financial support and alumni participation in the university. • Increase efficiency and effectiveness of business processes which will enable MSU to achieve the business objectives and reduce operating costs. • Reduce mailing costs through an increase in web-based self services.		
Status/ Explanation of Changes:	MSU is undergoing a detailed business process analysis. When finalized the university will document the current process so that when MSU begins the implementation the university will understand the system work flow and can articulate the decisions as to how the new software will work best. Currently the university has committed to IBM hardware, operating systems, oracle database, Banner information applications, and IBM backup software. Training for the Student information system, Oracle and IBM operation systems and Business Process Analysis.		
Project Risk:	Medium	**Current Expenditures:**	$616,932
Original Timeline:	06/01/06 – 06/01/10	**Current Timeline:**	06/01/06 – 06/01/10
Initial Projected Costs:	$3,500,000	**Current Projected Costs:**	$3,500,000

APPENDIX A: MONITORED PROJECTS

Agency:	**Angelo State University (ASU)**		
Project Name:	**Enterprise Resource Planning (ERP) Initiative (Portico Project)**		
Description:	The current administrative applications (i.e. Finance, HR, Student, Financial Aid, and Advancement) are not integrated which results in duplicate data entry, inconsistent data, and operational inefficiencies. This project began with an information gathering phase through attending conferences, visiting with other universities and visiting with vendors. A focus group of university stakeholders took the information gathered to make a decision regarding how the university will move forward. The focus group and executives decided to proceed with the project and partner with SCT to replace ASU's administrative applications.		
Benefits:	The key benefits that ASU plan to achieve are as follows: • Provide an information systems environment that enhances the collective operation of all academic and administrative units. • Redesign existing processes to leverage the improved capability and best practices and reduce redundant data entry and departmental shadow systems. • Increase significantly the flow of information and access to business operations across the University. • Enhance access to information to support decision-making. • Increase user autonomy through web-based self-service products.		
Status/ Explanation of Changes:	This project is currently in the implementation stage of the Finance and Human Resources portions of the system. All systems are projected to be completed by early January 2007.		
Project Risk:	Low	**Current Expenditures:**	$5,411,762
Original Timeline:	01/01/04 – 01/31/07	**Current Timeline:**	01/01/04 – 01/31/07
Initial Projected Costs:	$6,500,000	**Current Projected Costs:**	$6,500,000

APPENDIX A: MONITORED PROJECTS

Agency:	**Texas Higher Education Coordinating Board (THECB)**		
Project Name:	**Student Loan Mainframe Migration**		
Description:	THECB currently uses a Honeywell/Bull mainframe computer that hosts the majority of the software applications and data required to administer a large state student loan program, in addition to a variety of state grant programs. This system also supports applications and data required to administer the collection and certification of mandated higher education institutional reporting to the agency. The agency has determined a need to move to a more contemporary, automation needs-responsive information resources infrastructure. The Bull mainframe has become increasingly difficult to maintain and staff due to Bull's dwindling share of the mainframe computing market and continuing decline of their installed user-base. In addition, the mainframe application development toolset and environment are old technologically and not as productive as newer software developmental environments. The legacy student loan and grant systems running on the mainframe are over twenty-five years old and are COBOL 74-based applications. New information technologies will also offer increased system functionality, availability, and sustainability.		
Benefits:	Migration of legacy applications from the current mainframe environment to a client/server-based environment will result in substantial cost savings in the areas of hardware maintenance and support and operating system software licensing and support. Estimated annual savings in these operating areas after completion of the project are as follows: Additionally, upon completion of this project, the agency's mission-critical applications will be hosted on an information technology resources infrastructure that is contemporary, automation needs-responsive, maintainable, cost-effective, supported, and readily staffed at the State Data Center in San Angelo.		
Status/ Explanation of Changes:	A contract was awarded in FY05 to Sierra Systems for the development of a new loan system. In June 2006, it was decided to end the project before the system had been completed and the decision was made to purchase a commercial off-the-shelf (COTS) system from another vendor. THECB expended $1,609,991 and has listed this as a cost that has already been incurred and which cannot be recovered to any significant degree for the build solution contract. Currently there is not an indicator to verify if initial scope can be delivered with this new direction. The agency estimated completion date for the project is May 2007, but could extend as much as August 2007.		
Project Risk:	High	**Current Expenditures:**	$1,324,991
Original Timeline:	06/22/05 – 08/31/06	**Current Timeline:**	06/22/05 – 05/31/07
Initial Projected Costs:	$8,918,845	**Current Projected Costs:**	$6,535,460*

** Contract includes $2,284,469 for five years of maintenance*

APPENDIX A: MONITORED PROJECTS

Agency:	**University of Houston System Administration**		
Project Name:	**Student Financial HR Replacement System**		
Description:	A system to fully integrate financial, human resources and student information system for all system components (such as the University of Houston Clear Lake or the University of Houston Victoria). University of Houston Downtown is removed from this project due to budget cuts and the unforeseen Student Administration module is not as mature as other modules and caused considerable difficulty stabilizing the system. The complexity of implementing that module at the other universities required additional funding. There were no sources for that funding in current funds, so the implementation period was extended. Project focus narrowed from three universities to two (excluding UH-Downtown).		
Benefits:	There is a need to provide an integrated, effective business environment to support the changing needs of the academic community. As institutions of higher education move toward service enhancement to its student and community environments, the need for the University of Houston (UH) systems to keep pace with these changes was paramount. The FAST project supports the coordination of operations within the UH System universities, enabling them to serve the higher education needs of all stakeholders in a comprehensive and cost-efficient manner. Phase one is complete. Replacement of the financial, human resource, and student information systems will benefit the three campuses of the UH System by enhancing decision quality and timeliness of the information services provided. Operating costs to support phase two services will be evaluated based upon the need for this information and optimized as each new service is implemented. Accenture began the work on plans, timetables and budgets in time for the December 2004 reporting period. The Student Administration module was not a mature as other modules thereby creating considerable difficulty in stabilizing the system.		
Status/ Explanation of Changes:	The UH System wanted to separate this project into two projects representing two individual phases. The QAT advised the UH System to have the project remain as one project, allowing the UH System to show two phases with costs added together for the entire project. In September 2004, costs increased from $36,280,469 to $51,457,261 due to the addition of a new phase (Phase II - Student & Academic Administration (SAA) Rollout). Phase II has begun with Accenture completing the work on the new plans, timetables and budgets during the reporting period as planned. Project focus narrowed from three universities to two (excluding UH-Downtown). There seems to be a conflict in delivery, while costs increased, functionality has decreased.		
Project Risk:	High	**Current Expenditures:**	$40,700,065
Original Timeline:	03/01/99 – 08/31/02	**Current Timeline:**	03/01/99 – 12/31/07*
Initial Projected Costs:	$35,780,000	**Current Projected Costs:**	$ 51,457,261

** Timeline increased due to changes in scope that includes two phases.*

APPENDIX A: MONITORED PROJECTS

ARTICLE V – PUBLIC SAFETY AND CRIMINAL JUSTICE

Agency:	**Criminal Justice, Texas Department of (TDCJ)**		
Project Name:	**Offender Information Management System Phase III – Period 1**		
Description:	Reengineering of the agency's offender information management business processes and application of technology and tools. Efforts are concentrated on a management system to supervise and administer a range of options and sanctions available for felons' integration back into society following release from confinement. Phase III, Period I concentrates on parole-related processes.		
Benefits:	Correct deficiencies, data inaccuracies, delays in processing information, redundant data entry, and intensive staff processing of information; and reduce numerous transports of hard copy files. In May 1995, an independent consulting firm estimated savings for the entire project in excess of $100 million through fiscal year 2002, assuming a 1995 start date and a 1999 completion date. Savings estimates using different criteria have varied throughout this project.		
Status/ Explanation of Changes:	The project was divided into three phases. Phase I was the evaluation of the processes being used prior to OIMS. Phase II was the design of the structure of a new information system. Phases I and II are both complete. Phase III, the current and final phase, covers the development and implementation of the new systems. Phase III has been divided into two Periods. Period one covers the Parole portion of the process. Period two, which is not included in this QAT project, includes Incarceration. Parole was selected to be completed first because timely and accurate access to paroled offenders was prioritized over incarcerated inmates for security reasons. Release 2 of the Parole portion implementation has recently slipped one month behind schedule and could have an impact on the implementation of Release 3 scheduled for December 2006. This project is currently five years past its original completion date. Rider 32 of the TDCJ's appropriation bill pattern requires that period one implementation be certified as complete before expenditure of funds for the next period of OIMS.		
Project Risk:	High	**Current Expenditures:**	$30,721,129
Original Timeline:	09/01/99 – 08/31/01	**Current Timeline:**	09/01/99 – 05/31/06*
Initial Projected Costs:	$31,435,650	**Current Projected Costs:**	$31,366,935

** Delay in timeline includes vendor problems, staff retention, scope changes and data conversion.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Public Safety, Texas Department of (DPS)**		
Project Name:	**Crash Records Information System (CRIS)**		
Description:	DPS and the Texas Department of Transportation (TxDOT) are working cooperatively to restructure and redesign the Texas Traffic Accident/Crash Records systems.		
Benefits:	Implementation of a crash records information system provides enhanced efficiencies to capture, manage, and disseminate timely and accurate data to parties who need it to improve the safety of Texas roadways.		
Status/ Explanation of Changes:	As reported in last years QAT Annual report, DPS issued a Notice to Cure to IBM on August 3, 2005. DPS and Texas Department of Transportation's (TxDOT) legal staff jointly reviewed the CRIS Agreement prior to the Notice to Cure being issued. Under the terms of the Notice to Cure IBM had 55 days to complete all Configuration Phase II deliverables and deploy the CRIS application. IBM was to deliver an acceptable work plan to DPS within 10 days of receipt of the Notice To Cure. DPS terminated the IBM CRIS Contract on August 17, 2005. The Crash Records Information System project is near completion. There are two essential components of the project which need to be completed before the CRIS can function as intended. One is processing the backlog of Crash Record Information and two being the full reporting and implementation tools as listed in the original scope of the project. Request for Offers (RFO) have been issued for these two components. DPS has accepted the CRIS project as complete from the development phase and has addressed any issues presented by the system before it was moved to a production environment. CRIS began its rollout in September 2006 in San Antonio and Austin.		
Project Risk:	High	**Current Expenditures:**	$13,829,874
Original Timeline:	10/01/95 – 09/30/98	**Current Timeline:**	10/01/95 – 07/31/06*
Initial Projected Costs:	$2,209,810	**Current Projected Costs:**	$14,365,258

** Project timeline is skewed because initial estimates included the Initiation and Planning phases.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Public Safety, Department of (DPS)**		
Project Name:	**National Crime Information Center 2000/Texas Law Enforcement Telecommunications System (NCIC 2000/TLETS)**		
Description:	The National Crime Information Center (NCIC) is an on-line information service jointly maintained by the FBI and criminal justice agencies throughout the United States. In 1993, the FBI began a system design and implementation process to upgrade hardware and software of the NCIC system to increase capacity, update technology, add fingerprint and image processing functions.		
Benefits:	Creates an on-line information service to meet the federal NCIC standards that generates the ability of law enforcement to exchange criminal justice data at both the state and national level.		
Status/ Explanation of Changes:	The Texas Department of Public Safety gave an update briefing on the progress of the TLETS project on July 26, 2006. DPS indicated that the project was a three phased project with the first two phases being 100 percent complete. The completed phases were the Network upgrade phase (satellite communication), and the National Criminal Information Center (NCIC) upgrade Texas portion. The final phase is the re-engineering phase that is considered 87 percent complete as of June 2006. During the briefing the department indicates that the TLETS project is still in the transition phase of the project with migration to the operational entities throughout the state. The testing of the system has resulted in 300 personnel having access and use of the system on a test basis. The users include the Departments Crime Records Service, Port of Galveston Police Department, Princeton Police Department, Real County, Lubbock, and Irving Police Department which is scheduled to go live the first week of August 2006. DPS mentions that the interface test bed has been a great asset to the department in that it allows law enforcement entities from around the state to come into the office and test their system in a safe environment in order to ensure compatibility with the reengineered system upgrade. The department indicates that during the test and migration phase some portions of the testing have shown deficiencies that have not been completely remedied by the vendor. DPS states that the vendor had been asking that the department move to the acceptance phase of the testing but that they are continuing the transition phase with migration until the functions still requiring attention are working properly satisfying the requirements of the contract deliverables. Several factors have led to the delay of the final deployment of the system which includes hardware failure and the replacement of the mainframe.		
Project Risk:	High	**Current Expenditures:**	$24,735,082
Original Timeline:	01/01/97 – 12/31/99	**Current Timeline:**	09/01/98 – 12/31/06*
Initial Projected Costs:	$10,698,304	**Current Projected Costs:**	$27,637,552

** Project timeline increased due to scope changes throughout the life cycle.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Department of Public Safety (DPS)**		
Project Name:	**Drivers License Reengineering Project**		
Description:	A full upgrade of hardware and software that will rewrite the Texas driver's license system to support the citizens of the state of Texas. This project will include new camera systems, as well as a new database housing all drivers' license and identification card information.		
Benefits:	Consolidated systems will enable DPS to combine both data and image collection applications on an individual personal computer, thus providing a more efficient processing of applications. A more efficient programming environment will make the system easier to maintain and expedite implementation of necessary system modifications and enhancements. The project will replace the communications protocol providing a more cost-effective and efficient system. Additionally, the system will incorporate automated reports to strengthen monitoring capabilities and reduce the potential for internal fraud.		
Status/ Explanation of Changes:	The current project costs have increased due to recent account reconciliation; unexpended funds were identified and brought forward from previous fiscal years. The New Driver License System (NDLS) will not be able to perform as expected with the current communication system. The Department is in the process of estimating required bandwidth for the NDLS and researching communication options. The goal is to have the upgraded communication system in place by January, 2007.		
Project Risk:	High	**Current Expenditures:**	$8,877,832
Original Timeline:	01/06/04 – 01/30/07	**Current Timeline:**	01/06/04 – 11/30/07*
Initial Projected Costs:	$46,727,643	**Current Projected Costs:**	$45,113,119

** Project timeline increased due to scope changes throughout the life cycle.*

APPENDIX A: MONITORED PROJECTS

ARTICLE VI – NATURAL RESOURCES

Agency:	**Railroad Commission of Texas (RRC)**		
Project Name:	**Electronic Compliance and Approval Process (ECAP)/Oil and Gas Migration (OGM) Project**		
Description:	Automate all compliance processes for the oil and gas industry.		
Benefits:	ECAP provides replacement of expensive and time-consuming prepping, filming, and filing of paper documents with an efficient electronic system; reduces turnaround time for compliance and approval processes; and decreases costs for the industry. The OGM project is the backend process to migrate oil and gas database systems from the mainframe environment to newer technologies, thus enhancing business processes by increasing efficiency and productivity.		
Status/ Explanation of Changes:	This project was originally divided into two phases. The goal for phase one or the Business Process Reengineering Phase was to streamline business processes; prioritize the conversion of Oil and Gas databases to the open systems environment; and develop alternatives for staged implementation of Oil and Gas databases to the open systems environment. The goal for phase two was to develop two stand-alone application modules that totally replace their respective mainframe system functionality and implement the new business model created in phase one. While the goals may have not necessarily changed, the scope, budget and time increased to a point of failure as related to the original project plan. As a result of the Data Center Consolidation initiative and under the suggestions made by the QAT, the RRC is adopting smaller, incremental, and more specific information resource technology projects. The core goal of the OGM project has shifted from a multi-year planning horizon to projects with short timeframes that are more manageable with clearly defined scopes. The current OGM project work will end August 31, 2007, although with a smaller set of outcomes than were originally planned to be delivered with the project, while all appropriations for 06-07 will be exhausted.		
Project Risk:	High	**Current Expenditures:**	$12,933,687
Original Timeline:	09/01/99 – 08/31/05	**Current Timeline:**	09/01/99 – 08/31/07
Initial Projected Costs:	$12,425,906	**Current Projected Costs:**	$14,618,902*

** Project costs have decreased from $27,608,223 to $14,618,902 due to the reconstructions of scope.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Environmental Quality, Texas Commission on (TCEQ)**		
Project Name:	**State Implementation Plan (SIP) Data Management**		
Description:	Development of a central database to receive and store area and mobile source emissions inventory data.		
Benefits:	Provide required emissions inventory data to various entities, as well as greater automation in importing, storing, formatting, managing, and compiling data for air emissions inventory reports and submissions.		
Status/ Explanation of Changes:	The project is approximately 90 percent complete and the agency is in user acceptance phase for the Mapping Component. Testing is continuing on the location selection portion due to end of year demands. The emissions viewer is in production. All enhancements that were approved for this fiscal year were completed, tested, and moved into production. Documentation: Documentation is being reviewed and comments compiled. Contract: Fiscal year 2007 funds were encumbered. Work Order 28, which is for planning for fiscal year 2007 components was routed for signature. Growth Factor Management: New component for fiscal year 2007. Activity Data Management: New component for fiscal year 2007. Emissions Basis Report: New component for fiscal year 2007. For fiscal year 2006-07, TCEQ was appropriated $1,200,000. While the agency is adding new functionality, the original scope of the project has been met.		
Project Risk:	Medium	**Current Expenditures:**	$3,037,464
Original Timeline:	09/01/99 – 08/31/03	**Current Timeline:**	02/21/01 – 08/31/07*
Initial Projected Costs:	$1,417,705	**Current Projected Costs:**	$3,627,454

** Project timeline increased due to scope changes.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Environmental Quality, Texas Commission on (TCEQ)**		
Project Name:	**Surface Water Quality Monitoring Information System (SWQMIS)**		
Description:	Elimination of the existing, outdated and incomplete systems for managing Surface Water Quality Monitoring data into an integrated information system for the long term storage, management, and assessment of surface water quality data.		
Benefits:	This project will provide a basis for more accurate and timely assessment and management of Surface Water Quality Monitoring data at the TCEQ. One of the requirements of this project will be to provide the general public with more efficient access to the data.		
Status/ Explanation of Changes:	Each program area will be required to identify and prioritize their goals to develop project phases. Requirements will be validated by the subject matter experts and by the contractor for meeting STOrage and RETrieval (STORET) requirements. Users and subject experts must focus on mandatory requirements and relegate innovations to later phases. TCEQ will implement requirements in most cost effective manner (to ensure that improvements are implemented without excessive design costs, elements and features). Staff is ensuring that test plans cover all requirements and their dependencies. An amendment to the contract was approved by the QAT on 11/15/2005 which will allow the existing contract and project to flow data to the EPA CDX and more accurately assess the state's water bodies.		
Project Risk:	Medium	**Current Expenditures:**	$1,644,162
Original Timeline:	02/01/04 – 08/31/06	**Current Timeline:**	02/01/04 – 08/31/08*
Initial Projected Costs:	$1,750,000	**Current Projected Costs:**	$2,535,000

** Project timeline increased due to scope changes.*

APPENDIX A: MONITORED PROJECTS

ARTICLE VII – BUSINESS AND ECONOMIC DEVELOPMENT

Agency:	**Texas Workforce Commission (TWC)**		
Project Name:	**PeopleSoft Financial Upgrade Version 8.8**		
Description:	Upgrade current PeopleSoft version 7.52 Client Server Based to Version 8.8., which is a web based system.		
Benefits:	This version was supplied by the Comptroller of Public Accounts and has all the statewide modifications included. TWC will then reapply agency specific customizations. This will allow TWC to have a web-based application while maintaining PeopleSoft/Oracle support as well as Comptroller support of the application.		
Status/ Explanation of Changes:	Project is presently on schedule and within budget. The QAT does not anticipate any change in this status. Business Case & Statewide Impact Analysis has been submitted to the QAT. TWC has provided appropriate project team members and have provided the team member s with training on PeopleSoft version 8.8. Contractors are being added to the project team through the Department of Information Resources master contracts to include functional analysts and developers. Two Integrated Statewide Administrative System (ISAS) environments have been developed for project use: • Demo version of the software. (ISAS (i.e., Comptroller) released demo version which possesses all of statewide modifications and their data) • Master version of the software. (ISAS release with all of the statewide modifications but no data.)		
Project Risk:	Low	**Current Expenditures:**	$92,528
Original Timeline:	09/01/06 – 10/31/07	**Current Timeline:**	09/01/06 – 10/31/07
Initial Projected Costs:	$1,445,801	**Current Projected Costs:**	$1,445,801

APPENDIX A: MONITORED PROJECTS

Agency:	**Texas Workforce Commission (TWC)**		
Project Name:	**Program Integrity and Fraud Detection**		
Description:	The Benefit Payment Control (BPC) Program Integrity & Fraud Detection (PI Workflow) project will assist in improving audit accuracy and effectiveness while increasing staff efficiency. Business users have had to develop manual methods to compensate for system limitations, resulting in inefficient use of staff time. The project will automate and enhance the assignment and workflow processes, allowing staff to devote more time to critical overpayment issues. The Program Integrity workflow project will encompass the following significant modules: OCR Scanning/Imaging and Internet Receipt Audit Response, Case Management for Investigation and Predictive Analysis.		
Benefits:	The BPC Program Integrity Workflow project will assist in improving audit accuracy and effectiveness while increasing staff efficiency. Business users have had to develop manual methods to compensate for system limitations, resulting in inefficient use of staff time. Automating and enhancing the assignment and workflow processes will allow staff to devote more time to critical overpayment issues		
Status/ Explanation of Changes:	Texas Workforce Commission uses Microsoft Project to track expenditures and work flow. TWC has submitted initial Department of Information Resources documentation (Texas Project Delivery Framework). The agency has assembled the project team. Developed Unified Modeling Language (UML) diagram of project boundaries/scope and commenced Java Application Descriptor (JAD) sessions to identify current and requested functionality. The agency is beginning to finalize Project Plan and related documentation for submission and continue JAD sessions to solicit requirements.		
Project Risk:	Low	**Current Expenditures:**	$71,378
Original Timeline:	09/01/06 – 09/30/09	**Current Timeline:**	09/01/06 – 09/30/09
Initial Projected Costs:	$1,600,000	**Current Projected Costs:**	$1,600,000

APPENDIX A: MONITORED PROJECTS

Agency:	**Texas Workforce Commission (TWC)**		
Project Name:	**Workforce Information System Redesign**		
Description:	The rewrite of the Workforce Information Systems will follow a year-long Business Process Redesign (BPR) project that will assess The Workforce Information System of Texas (TWIST) application and its interaction with other programs including Unemployment Insurance, Child Care and WorkInTexas. Primary focus will be on streamlining the business requirements, improving service integration and ensuring rules/definitions are the same across systems. The project will modify or replace the TWIST and Child Care automated systems, based on the BPR and conceptual design from FY05, and consolidates the case management for child care with the programs in TWIST. It should also consolidate or integrate reporting for all related systems. The project will include purchase and installation of hardware and software to run the new application.		
Benefits:	Develop an automated system to integrate customer relationship management (employer and job seeker). This includes integrating information which is currently captured in TWIST, the child care automation systems, and WorkInTexas.com. The system will provide a single point of data entry and provide data security all levels of entry. The application will be easy to learn and does not require intimate knowledge of programs in order to provide good customer service delivery. The system will provide the ability to enter required data into the state's system through the use of off-the-shelf software, portals, or other means of system integration that may best serve the Local Workforce Board. Communications and interfaces with other state and local systems will be handled in a more efficient manner.		
Status/ Explanation of Changes:	Phase 1 – Business Process Redesign (BPR) is an information gathering and analysis process to identify the future business processes and requirements needed for the development of an integrated service delivery system that supports a single point of contact and data entry for the customer (job seeker and employer). Performance measures will be developed during this phase that can be used to gauge the success of business outcomes that determine the business value of the project as a whole. Once the business requirements have been determined and prioritized, the project team will be able to define the performance measures for Phase 2 - Automation.		
Project Risk:	High	**Current Expenditures:**	$71,378
Original Timeline:	09/01/05 – 08/31/10	**Current Timeline:**	09/01/05 – 08/31/10
Initial Projected Costs:	$11,402,557	**Current Projected Costs:**	$11,402,557

APPENDIX A: MONITORED PROJECTS

Agency:	**Transportation, Texas Department of (TxDOT)**		
Project Name:	**Bridge Management Information System (BMIS)**		
Description:	BMIS will provide an automated system and databases to facilitate management of approximately 33,000 state bridges and 15,000 off-state bridges. TxDOT is using the AASHTO PONTIS system with modifications to meet specific needs.		
Benefits:	By using the prioritized maintenance needs from Pontis, the agency will be able to reallocate approximately $3 per square foot of bridge deck out of the bridge replacement budget for every dollar per square foot of bridge deck spent maintaining the bridge, over the life span of the bridge. For example, there were approximately 150 structurally deficient bridges slated for replacement last year at a cost of approximately $44 million ($35 per square foot of bridge deck area). If more effective preventative maintenance had been performed, at an estimated cost of $12 million ($10 per square foot of bridge deck area) over the life span of the deficient bridges, the department would not require premature replacement due to deterioration.		
Status/ Explanation of Changes:	TxDOT has experienced delays for several reasons. The common-off-the shelf (COTS) package at the heart of the project has been updated several times. TxDOT delayed the project to include new functionality and to correct errors that were relevant to their use. Also, as a result of testing that occurred this summer, they discovered a major data validation flaw. The agency does not have resolution at this point, but are exploring building an external application to fix the problem. This aligns with TxDOT's approach to mitigating shortcomings in COTS solutions. The agency determines whether to customize code or to build external applications. The agency is looking at an external application in this particular case because the business area determined that the requirement cannot be modified and the agency does not have access to the problematic program code. The agency now estimates that the project will be in a production environment before the end of this fiscal year with a cost of approximately $2.6 million. The agency previously communicated an end date of December 2005 and a cost of approximately $2.2 million. TxDOT will continue to use in house staff to complete this effort. While this approach is extending the project's end date, it is also the reason for an increase in project costs.		
Project Risk:	High	**Current Expenditures:**	$1,814,101
Original Timeline:	12/01/92 – 09/30/07	**Current Timeline:**	12/01/92 – 08/31/07*
Initial Projected Costs:	$1,761,841	**Current Projected Costs:**	$2,639,701

** Project timeline increased due to several occasions the agency placed the project on hold to allocate resources to other projects.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Transportation, Texas Department of (TxDOT)**		
Project Name:	**eGrants**		
Description:	This project updates and integrates with local, state, and federal entities, the TxDOT grants management process and database from initial application through grant end, into an electronic grants management system designated the Traffic Safety Database (TSD) in the 2002-2004 BOP and changed to the Traffic Safety Grant Management System (TRF EGrants).		
Benefits:	This project makes available an interactive, web-based Electronic Grants System to provide grant seekers and sub grantees a much simpler and more customer friendly way to seek and manage grants. Such service enhancement will directly impact the traffic safety programs and improve quality and effectiveness of these key projects. This project is closely aligned with specific Traffic Safety business area strategy and goals.		
Status/ Explanation of Changes:	In an effort to move away from the use of paper grants application and management, which is manpower intensive and requires significant filing capability, the Traffic Safety Section of the Traffic Operations Division of TxDOT is moving to an electronic grants management and tracking system. This is consistent with the statewide electronic grants system being developed by the e-Grants initiative from the Governor's Office, the Comptroller's Office, and the Department of Information Services (DIR), as required by Public Law 106-107 and SB 1458 enacted by the 77th session of the Texas Legislature. Upgrading TxDOT to interface with the state system will take advantage of the security, internet accessibility, e-payments, financial accountability, and will provide single-source reporting commonality infrastructure and architecture. The current Traffic Safety grants system database (TSD) contains payment, contract, performance and scoring decision making elements that remain in-house but are not multi-entity enabled. Data produced by the grant, including monitoring and performance information, will also remain in-house. The TRF E-Grants project will integrate state eGrants; the pilot Texas Municipal Police Association (TMPA) client server project, convert manual processes, and rebuild TSD into an eGrants enabled management and tracking system that will be accessible by internal and external stakeholders.		
Project Risk:	High	**Current Expenditures:**	$618,153
Original Timeline:	09/01/03 – 08/31/07	**Current Timeline:**	09/01/03 – 08/31/07
Initial Projected Costs:	$4,065,000	**Current Projected Costs:**	$4,065,000

APPENDIX A: MONITORED PROJECTS

Agency:	**Transportation, Texas Department of (TxDOT)**		
Project Name:	**Enterprise Document Technologies Implementation and Support (EDTIS)**		
Description:	This project will promote the efficient and cost-effective management of agency information through the statewide implementation of a network of district, division, and office (D/D/O) document library systems.		
Benefits:	Users will be able to capture documents into their individual library systems, index them for efficient retrieval, and share them throughout the department, eliminating duplication and promoting the life cycle management of business documents according to federal, state, and department record retention schedule requirements. The software supporting these library systems will also integrate with a range of other software products currently in use or planned for use within the department, including electronic mail. This will reduce (if not eliminate) the need for additional server disk space that would otherwise be used to store data associated with these applications. Most users of these library systems will be internal TxDOT knowledge workers.		
Status/ Explanation of Changes:	Several D/D/Os have implemented document library systems already, and the department's goal is for library systems to be in place statewide by mid-2009. Much of the software, hardware, licenses, and services have already been secured, and TxDOT will continue to document and refine the business processes, procedures, and policies necessary for the implementation and utilization of these systems. To ensure timely statewide implementation, the department will employ of mixture of contracted personnel (primarily to perform system installations in the department's district and area offices) and existing employees from its Information Systems Division (ISD). These employees will provide planning and support expertise statewide as well as perform installations in the Austin headquarters area. The EDTIS project end date has been adjusted from FY 2007 to FY 2009. The project started in FY 2004. Due to the Business Case Workbook (BCW) requiring ten years of project costs, an additional $4.1 million in software maintenance and personnel costs is included project's total cost for FY 2010 - 2013 that occur after the project completes in FY 2009.		
Project Risk:	High	**Current Expenditures:**	$4,210,432
Original Timeline:	06/09/04 – 08/31/07	**Current Timeline:**	06/22/04 – 06/30/09*
Initial Projected Costs:	$4,928,280	**Current Projected Costs:**	$17,528,842*

** Project timeline and budget increased due to scope changes.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Transportation, Texas Department of (TxDOT)**		
Project Name:	**Licensing Administration Certification and Enforcement (LACE)**		
Description:	Update and integrate existing automated processes of the Motor Vehicle Division.		
Benefits:	Enforcing provisions of Texas Motor Vehicle Commission Code, the Transportation Code and rules governing certain activities of licensees, such as false and deceptive advertising, failure to pay taxes, failure to transfer titles and fraudulent sales practices.		
Status/ Explanation of Changes:	The LACE system project is at risk of exceeding its current estimated cost and its current estimated finish date. Change items, repeat system testing, and upgrades in operating systems could cause a delay in completing the project. Slow response and reduced participation by the vendor could also cause delays in project completion. There are 127 change items noted on the current QAT report. Eighty-one of those change items are under review and/or uncompleted. On several previous QAT reports system testing has been noted as an explanation of cost and timeline increases. The project manager has indicated that agency resources are strained from testing in addition to normal job functions. The current QAT report lists testing delays as a project issue and a potential project risk. The LACE Acceptance Testing Server has recently been upgraded to Windows Server 2003 causing a loss of functionality to system users. The vendor has been slow to respond to support request and the Project Management Team is considering a rollback to the previous operation system. The vendor has been paid for accepted deliverables and is not receiving revenue from the project. There is; however, $157,747 left on the Purchase Order / Contract**.** QAT reports indicate the vendor has reduced staff levels due to cash flow issues and does not respond timely to project issues.		
Project Risk:	High	**Current Expenditures:**	$8,237,121
Original Timeline:	11/01/99 – 08/31/03	**Current Timeline:**	11/01/99 – TBD*
Initial Projected Costs:	$3,661,691	**Current Projected Costs:**	$8,645,780*

** Project Timeline and Budget continues to fluctuate.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Transportation, Texas Department of (TxDOT)**		
Project Name:	**Motor Vehicle Information System (MVIS)**		
Description:	Vehicle application system for Point of Sale sticker printing.		
Benefits:	Web-based capability to renew vehicle registrations.		
Status/ Explanation of Changes:	There are three sub-projects that comprise the MVIS project: The Quality Assurance Team has broken the project into three separate projects. **Registration and Titling System Point of Sale Sticker Printing (POS**) (Sub-project was completed on June 30, 2005). **Special Plates Integration (SPI)**. **Internet Enabling of the International Registration Plan** Most of the benefits for this project are cost avoidance associated with not pre-printing of validation stickers. The current process requires approximately 2 million more validation stickers than will actually be used. With the solution presented by this project, the over-production will not be necessary. End date is now July 2007 (pilot), a time line for statewide deployment has not been determined at this time. Competing projects are the primary reason for the schedule slippage from February 2007 to July 2007.		
Project Risk:	Medium	**Current Expenditures:**	$8,237,121
Original Timeline:	09/01/01 – 08/31/03	**Current Timeline:**	09/01/01 – 07/31/07*
Initial Projected Costs:	$19,990,000	**Current Projected Costs:**	$8,612,548*

** Project Timeline and Budget continue to fluctuate.*

APPENDIX A: MONITORED PROJECTS

Agency:	**Transportation, Texas Department of (TxDOT)**		
Project Name:	**Statewide Traffic Analysis and Reporting System II (STARS II)**		
Description:	Traffic Monitoring Analysts and clients will access STARS II daily via the Internet, eliminating intermediary and manual processes. Clients may examine data geographically, by various groups, how traffic estimates were developed, and directly produce ad hoc reports.		
Benefits:	It is anticipated that STARS II will be a 24/7 web-based (Internet) application enabling TxDOT to access and query traffic data online, eliminating intermediary and manual processes. TxDOT may examine data spatially, by various groupings, review estimation methods, or request ad hoc reports. Because the application can analyze more and larger data sets the quality and reliability of the data increases at a lower cost. TxDOT submits traffic data to FHWA for the determination of federal appropriations, and uses traffic data for planning and design of highway systems, selection of transportation and maintenance projects, selection of routes, highway geometry, pavement and structural design, traffic management strategies, designation of truck routes, air quality and noise analysis, estimates of state and local revenue, signal timing, posting of bridges, and freight movement trends.		
Status/ Explanation of Changes:	STARS-II is beginning to provide base data support through a graphical user interface environment to TPP travel demand modeling staff. TxDOT's Travel Demand Modeling Project is necessary for maximizing transportation mobility and requires source data from within TPP. This data which is derived within the TPP Traffic Analysis Section currently evolves through an arduous combination of mainframe batch automation routines and manual review. STARS-II will provide for source data retrieval to support analysis of public transportation mode choices. STARS-II will accelerate the ability to analyze, audit, and distribute Annual Average Daily Traffic (AADT) data, which is a mandatory element used to determine the priority index for railroad crossing warning devices in support of TxDOT's strategic goal of improving safety.		
Project Risk:	High	**Current Expenditures:**	$992,120
Original Timeline:	06/01/06 – 12/30/09	**Current Timeline:**	06/01/06 – 12/30/09
Initial Projected Costs:	$5,700,000	**Current Projected Costs:**	$5,700,000

APPENDIX A: MONITORED PROJECTS

Agency:	**Transportation, Texas Department of (TxDOT)**		
Project Name:	**Texas Permit Routing Optimization System (TxPROS)**		
Description:	Motor Carrier Division (MCD) plans to acquire and integrate a software solution for permit routing optimization, the Texas Permit Optimization System (TxPROS), into their existing Central Permit System (CPS) for daily business use by both internal and external customers. TxPROS will provide true oversized/overweight (OS/OW) automated routing that is web-based, customer self-service via the Internet, and is compatible with TxDOT's Geographic Information System infrastructure.		
Benefits:	This project will improve and ensure OS/OW routing map accuracy, ensuring the safety of Texas highways through accurate routing of OS/OW loads, reducing the internal cost of permit issuance and effectively meeting the ever increasing customer demand for OS/OW permits without increasing staff. The estimated ten-year total project cost to the Department is $2.3 million with a cumulative benefit to the Department of $6.8 million.		
Status/ Explanation of Changes:	A Request for Information (RFI) was created based on requirements gathered from MCD and other TxDOT stakeholders and posted to the TBPC Electronic State Business Daily and TxDOT's Invitation for Bids Expressway web page. An overview of the project activities accomplished to date and feedback received from the RFI was presented to the Information Resource Council (IRC), who agreed with the business need to move forward with the project. Approval was given to proceed with (1) identifying a funding source, (2) expanding the Project Board to include the Information Systems Division (ISD), the Bridge Division (BRG), the Construction Division (CST) and the Transportation and Planning Division (TPP) and two district engineers, (3) establishing an external customer work group to provide input, (4) establishing an ISD technical work group as part of the project team and to provide input for the development of a Request for Proposal (RFP), (5) investigating opportunities to incorporate Spanish language options into the system, and (6) in the future, presenting a proposed RFP to the IRC.		
Project Risk:	Low	**Current Expenditures:**	$2,500
Original Timeline:	01/01/05 – 08/31/09	**Current Timeline:**	01/01/05 – 08/31/09
Initial Projected Costs:	$1,400,000	**Current Projected Costs:**	$1,400,000

APPENDIX A: MONITORED PROJECTS

Agency:	**Transportation, Texas Department of (TxDOT)**		
Project Name:	**Wide Area RTK Project (WARP) - Right To Know (RTK)**		
Description:	The Wide Area RTK Project (WARP) has been initiated to provide a time and cost saving utility to TxDOT surveyors and contractors. This will be accomplished by using the existing TxDOT Global Positioning System (GPS) Regional Reference Point (RRP) network and new GPS technology.		
Benefits:	This project will improve and ensure Oversize/Overweight Permits (OS/OW) routing map accuracy, ensuring the safety of Texas highways through accurate routing of OS/OW loads, reducing the internal cost of permit issuance and effectively meeting the ever increasing customer demand for OS/OW permits without increasing staff. The estimated ten-year total project cost to the Department is $2.3 million with a cumulative benefit to the Department of $6.8 million. Estimated payback period for local RTK networks installed in only the five metro districts is 5.02 years.		
Status/ Explanation of Changes:	TxDOT is experiencing difficulty in two areas with regard to surveying and the expanded role of contract survey services. As budgets continue to shrink, the department is seeing a decrease in qualified survey personnel at the district level to write and administer ever increasing survey contracts. Also, with the advent of RTK GPS surveying, proper field survey techniques are becoming critical to the quality of work done by survey consultants. The combination of these factors has lead to an increase in survey-related costs and change orders. Currently RTK corrections are established by the consultant through a base station at the job site. Quality control for the survey is solely a function of the field procedures employed by the consultant. The Wide Area RTK Project will establish TxDOT RTK control networks that will feature real time system integrity monitoring to insure the quality and accuracy of the data corrections made available to consultant surveyors.		
Project Risk:	Low	**Current Expenditures:**	$1,843,280
Original Timeline:	06/30/04 – 07/06/07	**Current Timeline:**	06/30/04 – 07/06/07
Initial Projected Costs:	$3,050,333	**Current Projected Costs:**	$2,889,414

APPENDIX A: MONITORED PROJECTS

ARTICLE VIII – REGULATORY

Agency:	**Texas Department Of Insurance (TDI)**		
Project Name:	**Business Process Reengineering/Architecture Development**		
Description:	Business process reengineering to identify and streamline business processes.		
Benefits:	Modernization of agency's data processing functions that were deemed unreliable and insufficient by the Office of the State Auditor.		
Status/ Explanation of Changes:	An analysis of the current state of the Business Process Improvement Project, currently in its final funded biennium, revealed that it would be necessary to change the project's scope significantly to improve the likelihood of meeting project timeframes with the amount appropriated to the project. The State Auditor's Office (SAO) and the QAT have already been notified about this change in scope. The project charter was modified to clarify the project's goals, scope, and roles and responsibilities in light of the Legislative changes during the 79th Session. April 2006, International Business Machines (IBM) issued a TXCOMP-Stabilization Executive Report to TDI in regards to the new scope. In this report IBM had several key findings. Components of the system and database were found to have disk and memory space issues. The Oracle database was found to have disk space issues in a number of its files. TDI believes that the overall change in approach to this project will achieve not only the automation of the legacy COMPASS system but also improve the business processes of Workers' Compensation regulation and oversight. The project is 40 percent complete to date with approximately $3.2 million for fiscal year 2007.		
Project Risk:	High	**Current Expenditures:**	$9,666,405
Original Timeline:	01/01/99 – 12/31/02	**Current Timeline:**	12/07/99 – 08/31/07
Initial Projected Costs:	$7,310,540	**Current Projected Costs:**	$12,870,000

APPENDIX B: COMPLETED PROJECTS

Article II – Health and Human Services

Department of State Health Services (DSHS)

Health Alert Network

Initial Timeline:	08/01/99 – 08/31/03	Final Timeline:	08/01/99 – 08/31/05
Initial Cost:	$2,078,805	Final Cost:	$1,216,835*

** The project is shown complete in the QAT database. DSHS has not completed a Post Implementation Report. Expenditures for the project have not been confirmed.*

Department of State Health Services (DSHS)

National Electronic Disease Surveillance System (NEDSS)

Initial Timeline:	09/01/00 – 08/31/03	Final Timeline:	09/01/00 – 08/31/05
Initial Cost:	$3,586,092	Final Cost:	$2,512,163*

** The project is shown complete in the QAT database. DSHS has not completed a Post Implementation Report. Expenditures for the project have not been confirmed.*

Department of Family and Protective Services (DFPS)

APS Mobile Caseworker

Initial Timeline:	09/01/04 – 08/31/07	Final Timeline:	09/01/04 – 01/31/06
Initial Cost:	$7,447,664	Final Cost:	$4,087,220*

** Full scope of project was over estimated. Prices of hardware were over estimated.*

Article V – Public Safety and Criminal Justice

Department of Public Safety, Texas

*Crash Records Information System (CRIS)**

Initial Timeline:	10/01/95 – 09/30/98	Final Timeline:	10/01/95 – 07/31/06
Initial Cost:	$2,209,810	Final Cost:	$14,365,258

** Detailed information also shown in Appendix A*

Department of Public Safety, Texas

State Agency Sharing Initiative (SASI)

Initial Timeline:	09/01/01 – 08/31/02	Final Timeline:	09/01/01 – 12/31/05
Initial Cost:	$2,500,000	Final Cost:	$3,246,432

APPENDIX C: PROJECTS ON HOLD

Article III – Higher Education

Texas A&M University (TAMU)

Enterprise Information Systems (EIS)*

Initial Timeline:	03/01/05 – 03/01/10	Current Timeline:	11/01/06 – 03/01/10
Initial Cost:	$41,200,000	Current Cost:	$41,200,000

** The Institution anticipates finalizing the contract with the vendor and beginning the project by November or December 2006.*