



Information Technology Department

4201 Normandy Street • Bismarck, ND 58503-1324 • (701) 328-3190

December 1, 2017

TO: Members of the Legislative IT Committee and
Legislative Council

RE: Large Project Summary Report

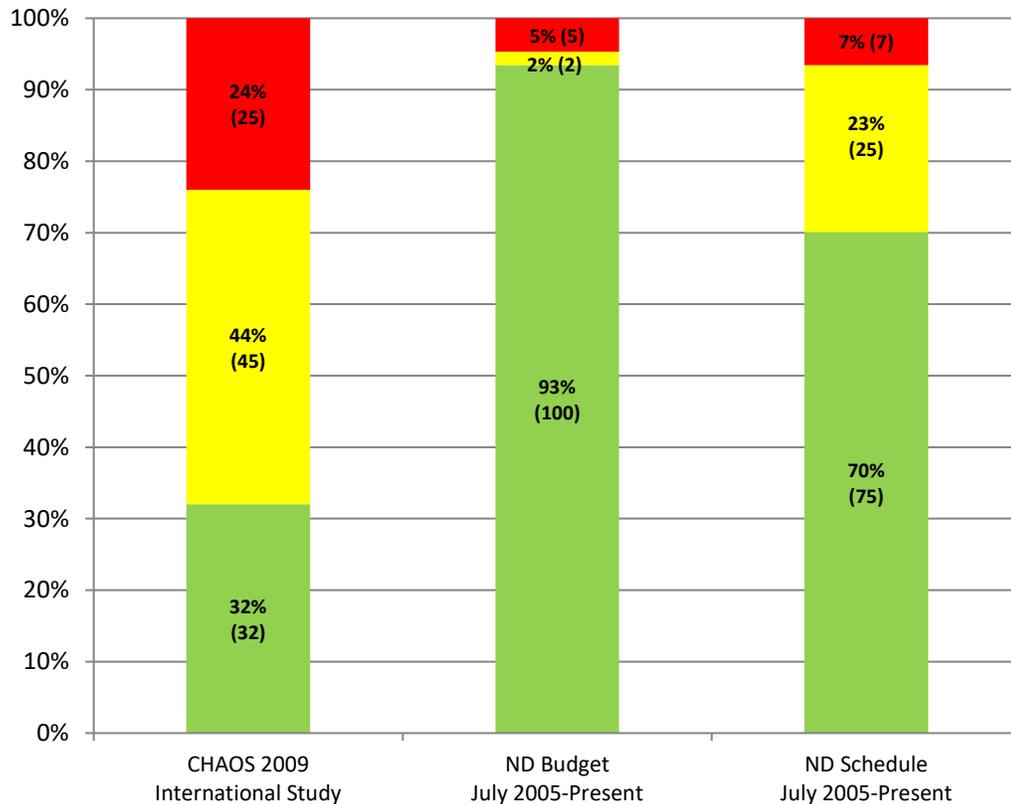
Greetings,

Attached to this cover letter is the Large Project Summary Report for the period ending on September 30, 2017.

The graph below contains a historical review of all projects completed to date. The definition of the legend for the graph is also below, and it aligns North Dakota's mandated thresholds with the criteria of The Standish Group CHAOS Report 2009 (Column 1). Columns 2 & 3 represent those projects that have completed since July 2005, representing the application of budget/schedule variance in accordance with NDCC 54-59-23.

- Green** = Within Threshold
- Yellow** = Beyond Threshold But Obtained Strategic Objectives
- Red** = Terminated or Did Not Obtain Strategic Objectives

Completed Projects Historical Analysis by Percentage (Project)





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Large Project Summary Report
 December 1, 2017
 Page 2 of 6

No programs or large, multi-phase projects reported closed phases or projects this quarter.

Agency	Program/Project-Phase	Budget	Schedule

No projects reported complete this quarter.

Agency	Project	Budget	Schedule

Four projects reported in the planning stage this quarter.

Agency	Project
Information Technology Department	Statewide Interoperable Radio Network
Department of Transportation	RealID
Department of Trust Lands	Trust Lands IT System Replacement
Workforce Safety and Insurance	Claims and Policy System (CAPS): Phase 3, Release 5

One project moved into the execution phase this quarter.

Agency	Project
Workforce Safety and Insurance	myWSI (Extranet) Enhancement



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Large Project Summary Report
 December 1, 2017
 Page 3 of 6

The following **three** items are programs or large, multi-phase projects managed in an “iterative” fashion. Because they have budgets more than \$5,000,000 and represent high-risk, highly complex work, they will receive ongoing cover letter reports regardless of project health. For these items, the cover letter will describe the program approach and the status of the overall program, while the separate summary reports will detail progress against individual baselines.

Agency	Program or Multi-Phased Project
Department of Human Services	Eligibility System Modernization (SPACES)
<p>The Department of Human Services' Self-service Portal and Consolidated Eligibility System (SPACES) project will replace core business applications that determine eligibility for Medicaid, Children's Health Insurance, Temporary Assistance for Needy Families, Supplemental Nutrition Assistance, Child Care Assistance, and Low Income Home Energy Assistance programs which are currently administrated via four legacy systems. Additionally, the modernization project includes enhancements related to the Patient Protection & Affordable Care Act (ACA).</p> <p>The project is transferring and customizing a system by Deloitte through a phased approach. Each phase is reported on individually in the summary reports, with a roll up of overall costs and schedule status in this cover letter.</p> <p>Release 2 is currently in the executing phase. The budget variance is reported as 17.1% UNDER and the schedule variance is reported as 2.4% BEHIND when measured against the approved baselines.</p> <p>Release 1 had an original baseline budget of \$45,436,315, and an original baseline completion date of April 4, 2016. Release 1 had a final baseline budget of \$50,943,770 and rolled out to production on Feb. 8, 2016, with the resolution of post-production defects on March 9, 2017. Release 1 completed with an overall operational status of GREEN when measured against final plans with a budget variance of 2.1% UNDER and a schedule variance of 0%.</p> <p><i>It is currently estimated that the duration for the TOTAL PROGRAM will stay active into 2018 and may cost up to \$127,000,000.</i></p>	
Agency	Program or Multi-Phased Project
Secretary of State	File 2.0 – Business Licensing System (BLS)
<p>The Office of the Secretary of State (SOS) File 2.0 project will replace core business applications for business services, campaign finance, central indexing, licensing, notary, and administration. The overall solution or program will allow SOS personnel to manage the filing process more efficiently as well as allow public users to file documents and make online inquiries regarding filed documents.</p> <p>As of Q4 2016, the File 2.0 overall project is using the Iterative Project Report to provide quarterly reporting on the new File 2.0-BLS project to Large Project Oversight. For Q3 2017, the File 2.0 - Business and Licensing System (BLS) project of File 2.0 overall status of GREEN and an approved baseline budget of \$2,700,000. The budget variance is reported as 15.5% UNDER and the schedule variance is reported as 0% or ON SCHEDULE when measured against the approved baselines.</p> <p>The following projects either canceled or completed to make up the overall program for the File 2.0 project, Phases 1-5 cancelled with actual cost of \$4,001,232, Campaign Finance, completed 5/1/2014 with actual cost of \$60,665, the Business Process Modeling, completed 9/4/2015 with actual cost of \$400,000 and the Central Indexing System, completed 12/1/2015 with an actual cost of \$888,390.</p>	



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Large Project Summary Report
 December 1, 2017
 Page 4 of 6

The current estimate that the duration for the TOTAL PROJECT is scheduled to be active through 3rd quarter 2018 and may cost up to \$7,654,287.

Agency	Program or Multi-Phased Project
Workforce Safety and Insurance	Claims and Policy System (CAPS)

The Workforce Safety and Insurance (WSI) Claims and Policy System (CAPS) will replace core business applications in order to improve customer service, enhance system maintainability, and provide enhanced reporting and accessibility to information. This will enable WSI to remain current with technology and take advantage of technology enhancements as they occur while conforming to standard industry best practices.

A phased, "evolution" implementation approach will be used in which the overall program is broken into multiple phases, which are then broken into multiple projects. Each project will finish with the delivery of business functionality. Each project will be reported on individually in the summary report, while a roll up of program costs and schedule variance will appear in this cover letter.

The **WSI CAPS PROGRAM - PHASE 3, RELEASE 4** is in progress with an operational status of **GREEN**. The budget variance is reported as 7.1% OVER and the schedule variance is reported as 2% BEHIND when measured against the approved baselines.

PHASE 2, RELEASE 3 completed February 24, 2017 on schedule and under budget. **PHASE 2, RELEASE 2** completed September 30, 2016 on schedule and under budget. **PHASE 2, RELEASE 1** completed on April 7, 2016, ahead of schedule and under budget. The program completed **PHASE 1** (an initial program planning phase) on June 30, 2015, on schedule and under budget.

In previous quarters, the last phase was expected to end in 2023, but assumed the addition of a second team around Release 5. Currently, WSI business and IT staff are unable to support a second team, therefore the expected end date has moved to 2025, depending on detailed planning and baselines of the individual projects. The program may cost up to \$30M.



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Large Project Summary Report
 December 1, 2017
 Page 5 of 6

The following **two** projects have a budget of more than \$5,000,000 and it will receive ongoing cover letter reports regardless of project health.

Agency	Project
Department of Human Services	Electronic Health Records
This project has an overall operational status of GREEN . The budget variance is 1.3% UNDER and the schedule is reported as 4.4% AHEAD when measured against the approved baseline.	
Information Technology Department	SLDS Data Utilization Project
This project has an overall operational status of GREEN . The budget variance is 29.5% UNDER and the schedule variance is reported as 0% (on schedule) when measured against the approved baseline. Iteration 5 completed September 30, 2017. Progress includes: content development for 12 of the 13 instructional modules and recording of the final module; and data analysis in advance of the ND Insights Workforce development.	

Of the remaining **six** active projects, **four** rated as **GREEN**, **one** rated as **YELLOW**, and **zero** rated as **RED**.

For this quarter, we monitored **two** active projects for budget/schedule variance concerns.

Agency	Project
Department of Health	North Dakota Immunization Information System
This project has an overall operational status of GREEN . The budget variance is reported as 1.5% OVER and the schedule variance is reported as 11.5% BEHIND when measured against the approved baselines. With the ending of the PPHF 2014 grant, the project currently has two grants in progress: Sentinel Site Capacity and the Annual Immunization Cooperative Agreement. The project had multiple scope changes to accommodate grant requirements and timeframes which increased the budget by \$405,767. DOH is currently looking at either extending the project timeframe to accommodate the new scope in conjunction with a grant extension, or moving to an iterative program. Vendor performance remains an issue on this project as indicated by the schedule slippage. Current progress includes user acceptance testing of the school module, and testing the first electronic health record system (Patagonia) against the new messaging system (HL7 2.5.1).	
Department of Human Services	Health Enterprise Operating Rules
This project has an overall operational status of YELLOW . The budget variance is 1.6% UNDER and the schedule variance is reported as 72% BEHIND when measured against the approved baseline. All releases have been put into production as of June 8, 2017. However, there are three minor defects holding up final payments to the vendor. Therefore, the project will remain open until final payment is authorized.	



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Large Project Summary Report
December 1, 2017
Page 6 of 6

Please refer to the Large Project Quarterly Summary Report for more information about each project. Feel free to contact me with any questions.

Sincerely,

Shawn Riley

Shawn Riley
Chief Information Officer