Project Startup Report

Project Name: Motor Vehicle System Replacement

Agency: North Dakota Department of Transportation (NDDOT)

Business Unit/Program Area: Motor Vehicle (MV)

Project Sponsor: Russ Buchholz

Project Manager: Brandi Fagerland

Project Description
NDDOT's Motor Vehicle Division maintains a database of over six million owner and vehicle records with over one and a half million transactions per year. The accounting processes collect and distribute over $260,000,000 dollars per annum. Other responsibilities include the issuance of physically impaired placards, temporary registrations for out of state workers, dealer licensing and registration, and interfaces with motor carrier services.
In 1999, NDDOT implemented the VRTS (Vehicle Registration and Titling System) for the Motor Vehicle Division. The VRTS also contains a number of customer web interfaces. At the time the VRTS was implemented, the original intent was to have the vendor that developed the system, Revenue Systems, Inc. (RSI) provide support. However, RSI filed for bankruptcy around the time of the implementation and support has been provided mainly by the North Dakota Information Technology Department (ITD) with assistance from NDDOT.
Other state agencies access the VRTS information for operational business with prior approval by NDDOT. The Department of Human Services updates VRTS with alerts regarding non-payment of child support.
NDDOT intends to replace VRTS with FAST Enterprises' (FAST) FastVS product. It will allow for vehicle registration, titling, dealer regulation, and advanced financial accountability. The product will be enhanced to meet NDDOT requirements that cannot be met by business process changes.

Business Needs and Problems

1. NDDOT wants to be able to streamline the financial accountability of the motor vehicle division

    a. The current business process does not allow a monthly system balancing with the Bank of North Dakota, resulting in write-ups from the State Auditor's Office

    b. The current business process does not allow a daily, real-time system balancing between the central office and the branch offices, resulting in delays in balancing with the Bank of North Dakota

    c. NDDOT's current business process to provide checks and balances in the tables is manual, which could lead to an incorrect distribution of funds

    d. Financial reports cannot be recreated with the same data after they are originally produced

2. NDDOT wants to have Motor Vehicle systems built on modern technology

    a. The VRTS system is built on a PowerBuilder platform, which is considered out-of-date technology, and has a complicated database structure, resulting in few options for support

    b. It is difficult to re-create user errors in the VRTS system, which leads to additional time spent by NDDOT and ITD troubleshooting problems

    c. Information within the VRTS is not easily accessible and requires individual coding by an experienced SQL programmer to provide requested data

3. NDDOT wants to improve the processing time of the Motor Vehicle services and deliverables

    a. The VRTS system requires extensive user training in order to use it successfully, causing additional time and confusion for users

    b. The VRTS system does not accommodate interruptions during work, leading to additional time spent in re-entry

    c. Current inventory review is a manual process, which leads to system errors with online renewals

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<table>
<tr><td colspan="2">and running out of inventory in the branch offices</td></tr>
<tr><td>d.</td><td>Current workflow does not efficiently handle the increased volume of work, leading to delays in processing and rework</td></tr>
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Key Metrics		
Project Start Date	Project End Date	Original Baseline Budget
03/30/2015	06/30/2016	$8,514,160.48

Objectives	
Project Objectives	**Measurement Description**
<u>Business Need/Problem 1:</u> NDDOT wants to be able to streamline and improve financial accountability of the Motor Vehicle Division <u>Objective 1.1:</u> Within the new system, provide monthly system balancing with the BND money market account	<u>Measurement 1.1.1:</u> When the State Auditor's Office review is held within 6 months of implementation, the existing audit finding is resolved.
<u>Business Need/Problem 1:</u> NDDOT wants to be able to streamline and improve financial accountability of the Motor Vehicle Division <u>Objective 1.2:</u> Within the new system, provide capability to balance daily collections with daily deposits at all issuance sites	<u>Measurement 1.2.1:</u> Within 3 months of system implementation, a daily balance report will be produced from the system. The daily collections will be compared with the deposits in order to confirm system tracking accuracy at both the central office and branch locations.
<u>Business Need/Problem 1:</u> NDDOT wants to be able to streamline and improve financial accountability of the Motor Vehicle Division <u>Objective 1.3:</u> There will be an accounting reconciliation package available within the new system	<u>Measurement 1.3.1:</u> Within 4 months of system implementation, accounting staff at the central office will be surveyed to determine whether they have the capability to reconcile the refund account, the money market account, and the online and in-house credit card (cybercash) payments via the new system
<u>Business Need/Problem 1:</u> NDDOT wants to be able to streamline and improve financial accountability of the Motor Vehicle Division <u>Objective 1.4:</u> The new system will allow branch collections to come across as electronic funds transfers	<u>Measurement 1.4.1:</u> Within 1 week of system implementation, participating branch fees will be coming in electronically
<u>Business Need/Problem 2:</u> NDDOT wants to have Motor Vehicle systems built on modern technology <u>Objective 2.1:</u> Procure a motor vehicle system built on a current, sustainable technology platform	<u>Measurement 2.1.1:</u> During the procurement phase of the project, ITD architects will be invited to review the technical solution. They will be asked to consider features such as: database structure, support options, compliance with State standards, system architecture, scalability, etc. When surveyed, the architects will identify the proposed solution as a sustainable technology platform.
<u>Business Need/Problem 2:</u> NDDOT wants to have Motor Vehicle systems built on modern technology <u>Objective 2.2:</u> The system will be user intuitive, which will decrease errors, and have audit tracking to assist in determining any functional issues. NDDOT will spend 80% less time troubleshooting system issues.	<u>Measurement 2.2.1:</u> Within 6 months of system implementation, WMS reports will be evaluated to determine time spent on resolving issues and errors prior to system implementation and post implementation.

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Business Need/Problem	Measurement
Business Need/Problem 2: NDDOT wants to have Motor Vehicle systems built on modern technology Objective 2.3: The system will include advanced ad hoc reporting capability with minimal skillset required to generate reports	Measurement 2.3.1: Within 2 months of system implementation, users will be able to generate needed reports to retrieve information without IT support
Business Need/Problem 2: NDDOT wants to have Motor Vehicle systems built on modern technology Objective 2.4: User manuals and troubleshooting hints will be built into the system processing workflow	Measurement 2.4.1: After User acceptance testing, testers will be surveyed to determine how well the system help answered their questions as they were processing test scripts
Business Need/Problem 2: NDDOT wants to have Motor Vehicle systems built on modern technology Objective 2.5: The new system will be easy to maintain and support	Measurement 2.5.1: Within 4 months of system implementation, IT support staff will be surveyed to determine their comfortable with implementing enhancements and or changes
Business Need/Problem 3: NDDOT wants to improve the processing time of the motor vehicle services and deliverables Objective 3.1: Reduce training time for new system users by 40 hours. Currently, a new system user goes through 80 hours of system training.	Measurement 3.1.1: Within 6 months of system implementation, the system trainers will be surveyed to determine how many hours of system training is required for new system users.
Business Need/Problem 3: NDDOT wants to improve the processing time of the motor vehicle services and deliverables Objective 3.2: The new MV system will require streamlining work processes and allow for stopping and starting work at any point in the process	Measurement 3.2.1: After User acceptance testing, testers will be surveyed to determine whether their work process has been improved and their processing time has been reduced
Business Need/Problem 3: NDDOT wants to improve the processing time of the motor vehicle services and deliverables Objective 3.3: Reduce turnaround time for mail and dealer work from 3 weeks to 5-6 business days	Measurement 3.3.1: Within 6 months of system implementation, NDDOT consumer staff will review outstanding paperwork to determine if mail and dealer work turnaround time has been reduced to 5-6 days
Business Need/Problem 3: NDDOT wants to improve the processing time of the motor vehicle services and deliverables Objective 3.4: The new system will have an inventory tracking system that will notify of inventory shortages, usage, and supply.	Measurement 3.4.1: During user acceptance testing, the inventory tracking system will be tested to confirm requirements are met and the system is improved

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Cost/Benefit Analysis
In 2012, NDDOT requested a cost estimate from the Information Technology Department (ITD) to rewrite the existing VRTS application, which was accepted; however, ITD stated they did not have the resources available for another large project in the 2013-2015 biennium. ITD contacted NDDOT later regarding options for a new motor vehicle system, based on information the Chief Information Officer (CIO) received from other states. During the 2013 Legislative Session NDDOT received the funding for a new motor vehicle system project.

Key Constraints or Risks
Risk: NDDOT staff will need to be dedicated to the project and will be away from their current functional duties
Impact: Staff will be pulled away from their functional duties for the time they will be needed on the project work, causing delays in their functional work
Response: NDDOT will backfill key positions to allow staff to work on the project
Risk: Major changes to the business process may be required to meet the business needs
Impact: Staff may be reassigned to new duties. They also will experience a change in their work duties. Customers and dealers will see a change in how they interact with the NDDOT.
Response: An organizational change plan will be developed to guide staff through the new duties and changes to current duties. A communications plan will be developed to determine the best way to communicate with customers and dealers.
Risk: Appropriation for the project is not received for the 2015-2017 biennium
Impact: Project ends
Response: Project ends
Risk: If a new database is going to be required to support the new product, data conversion becomes a major concern because of the relationship complexity. If data conversion is not handled properly, the cost to cleanse that data later would be very high.
Impact: The new system will have inaccurate relationships between data fields and data could be lost in the conversion
Response: NDDOT will work with the vendor to ensure that they fully understand the relationships in the current database and properly import data into the new system
Risk: Because of the poor quality of the data pulled into the current system, without proper data cleansing, bad data will be pulled into the new system
Impact: The new system will still have data quality issues that exist today
Response: Data clean-up will be a priority task for this project
Risk: Motor vehicle staff turnover due to normal rates of turnover, staff nearing retirement age, and also resistance to change during the project
Impact: Backlog of current work as well as lack of resources for the project
Response: An organizational change plan will be developed to address concerns
Risk: The chosen vendor doesn't perform within schedule and budget expectations
Impact: Project delayed and costs go up
Response: A contingency plan will be developed during planning. State procurement policies and practices will be followed to ensure a manageable contract is signed and thus the vendor is held more responsible.