



# Information Technology Department

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

February 17, 2017

TO: Members of the Legislative IT Committee and  
Legislative Council  
RE: Large Project Summary Report

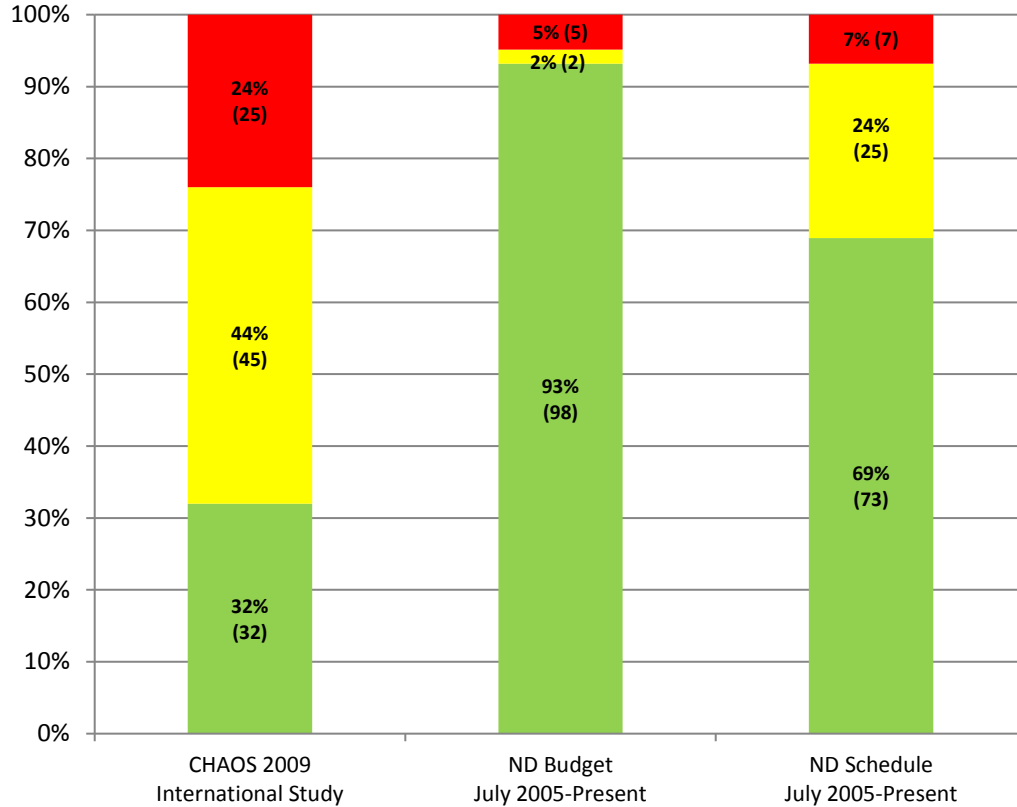
Greetings,

Attached to this cover letter is the Large Project Summary Report for the period ending on December 31, 2016.

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

Agency	Project	Budget	Schedule

**One** project reported complete this quarter.

Agency	Project	Budget	Schedule
Department of Transportation	Motor Vehicle System Redesign	Under	On

**Three** projects reported in the planning stage this quarter.

Agency	Project
Department of Human Services	Electronic Health Records
Secretary Of State	File 2.0 – Business Licensing System
Workforce Safety and Insurance	Claims and Policy System: PHASE 3, RELEASE 4

**Two** projects moved into the execution phase this quarter.

Agency	Project
Department of Human Services	Health Enterprise Operating Rules
Workforce Safety and Insurance	Extranet Portal



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The following **three** items are programs or large, multi-phase projects managed in an “iterative” fashion. Because they have budgets in excess of \$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 five legacy systems. Additionally, the modernization project includes enhancements related to the Patient Protection &amp; Affordable Care Act (ACA).</p> <p>The current project approach is to transfer a system by Deloitte through a phased approach with individually baselined phases. Each phase will be reported on individually in the summary reports, while a roll up of program costs and schedule status will appear in this cover letter.</p> <p>The project continues to resolve post-production defects from the <b>Release 1</b> rollout while also planning out <b>Release 2</b> (which is also the final release for the project). <b>Release 1</b> had an original baseline budget of \$45,436,315, and an original baseline completion date of April 4, 2016. <b>Release 1</b> had a final baseline budget of \$50,943,770, and rolled out to production on February 8, 2016. <b>Release 1</b> continues with post-production fixes and has an overall operational status of <b>GREEN</b> when measured against final plans with a budget variance of 7.5% UNDER and a schedule variance of 0%.</p> <p><b>Release 2</b> is currently in the planning phase. This planning phase has a revised budget baseline of \$21,508,725 (originally \$21,366,296), and is expected to be completed Dec. 31, 2016 (originally Oct. 31, 2016). When planning is completed the cost to implement the <b>Release 2</b> product will be baselined.</p> <p><i>It is currently estimated that the duration for the TOTAL PROGRAM may stay active through 2017 and may cost up to \$112,000,000.</i></p>	
Workforce Safety and Insurance	System Replacement Program (SRP)
<p>The Workforce Safety and Insurance (WSI) Claims and Policy System (CAPS) will replace core business applications in order to improve customer service, meet WSI's anticipated demand for growth, and enable WSI to remain current with technology.</p> <p>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, while a roll up of program costs and schedule status will appear in this cover letter.</p> <p>The WSI CAPS PROGRAM - <b>PHASE 3, RELEASE 4</b> is currently in the Planning phase and will start execution on February 27, 2017.</p>	



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The WSI CAPS PROGRAM - **PHASE 2, RELEASE 3** has an overall operational status of **GREEN**. The budget variance is reported as 4.2% UNDER and the schedule variance is reported as 3.2% AHEAD when measured against the approved baselines.

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

*It is currently estimated that the duration for the **TOTAL PROGRAM** may take seven to eight years to complete (2022-2023) and may cost up to \$30,000,000.*

Agency	Program or Multi-Phased Project
Secretary Of State	File 2.0 – Business Licensing System (BLS)

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 new application 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. As of Q3 2016, the File 2.0 overall project will use the Iterative Project Report to provide quarterly reporting on the new File 2.0-BLS project to Large Project Oversight.

The **File 2.0 - Business and Licensing System (BLS) project** is in the planning phase with a status of **GREEN**.

The following projects either canceled or completed for the overall File 2.0 project:

**Central Indexing System**, completed 12/1/2015 with an actual cost of \$888,390

**Business Process Modeling**, completed 9/4/2015 with actual cost of \$400,000

**Campaign Finance**, completed 5/1/2014 with actual cost of \$60,665

**Phases 1-5** cancelled with actual cost of \$4,001,232

*The current estimate is that the duration for the **TOTAL PROJECT** may stay active into 2018 and may cost up to \$8,500,000.*

The following **two** projects have budgets in excess of \$5,000,000 and they will receive ongoing cover letter reports regardless of project health.

Agency	Project
Information Technology Department	SLDS Data Utilization Project

This project has an overall operational status of **GREEN**. The budget variance is 15.4% UNDER and the schedule is reported as 0% AHEAD when measured against the approved baseline. Iteration 2 consisting of tasks in the instructional support and workforce supply/demand areas, completed December 31, 2016 as did the workforce supply/demand requirements analysis document. Progress continues in the other areas, to include content development for instructional modules, outreach to stakeholders, reverse transfer, and security setup to interact with Campus Solutions.



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Agency	Project
Department of Transportation	Motor Vehicle System Redesign
The project has officially closed in the <b>GREEN</b> status, 6.4% under budget and on schedule.	

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

For this quarter, we did not monitor **any** active projects for budget/schedule variance concerns.

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

Sincerely,

*Dan Sipes*

Dan Sipes  
Interim Chief Information Officer