Project Startup Report
Presented to the IT Committee June 26, 2012

Project Name: SOS File 2.0

Agency: Secretary of State

Business Unit/Program Area: Secretary of State

Project Sponsor: Al Jaeger

Project Manager: Beverly Maitland

Project Description
North Dakota's Office of the Secretary of State (SOS) has partnered with the North Dakota Information Technology Department (ITD) to build from scratch a web-based software system to manage SOS processes for Central Indexing, Licensing and Registrations, and Campaign Finance. This new business solution will allow SOS personnel, public users and other third parties the ability to view, update, search, and manage information related to these lines of business via web browsers. Additionally, the new web server-based application will replace and retire the existing mainframe, AS400, and WebSphere based legacy systems.

Business Needs and Problems
The current systems in use are a mainframe application for Central Indexing filings, an AS400 system for business services, licensing, and administration, and a WebSphere application for Campaign Finance.   - The mainframe Central Indexing System (CIS) does not allow the SOS to cost effectively implement technologies required to reduce costs and provide better customer services such as: ad hoc reporting, public online filing, online searches, and Business-to-Business (B2B) components for high-volume filers   - Similarly, the design and non-state-standard RPG program language of the AS400 system does not enable implementation of online services such as filings, lists, and certifications needed to meet today's public and inter-agency service demands. Modifying the application on the AS400 would not benefit North Dakota in the long term because the program language used is not an approved state standard and the availability of staff for programming and maintenance are diminishing   - The campaign finance system is currently located within a system in which it is the only remaining module as all other modules have been migrated to ND VOICES. Since campaign finance is simply another SOS filing, functionality is being incorporated into the entire office's filing system.

Key Metrics		
Project Start Date	Project End Date	Original Baseline Budget
05/08/2012	10/03/2014	$3,468,428

Objectives	
Project Objectives	Measurement Description
Improved and more efficient business processes.	We project that Central Indexing System online filings will increase 10% in the first six months, and up to 40% in 12 months - Current CIS online filings are 12% - An increase in filings by customers equates to customer satisfaction and less staff labor for manual entry
Reduction in labor - Payments	Receipting and depositing payments - Staff currently spends 9-10 person-hours per day receipting and depositing payments from submitted paper filings and requested business services. - This process will be automated with new system.

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	▪ Online filings will also have payments processed online which will reduce the number of payments which staff needs to receipt.
Reduction in labor – Date Stamping	Eliminate work spent manually date-stamping incoming documents ▪ Incoming documents will be scanned in the intake process and will include the date scanned ▪ Online filings will be electronic and automatically date-stamped, so this manual process will be eliminated
Reduction in labor – Auditing Images	Reduce the amount of time spent auditing images (for quality of image) ▪ Staff currently spends 16 person-hours per day auditing images ▪ With the new system, audit process should take place as part of the business process because most images will be scanned upon receipt rather than at the end
Reduction in labor -Scanning	Reduce the amount of time scanning ▪ Currently, it is a full-time job for two people to perform scanning functions ▪ Likely, this process will take more time in the first few months after product rollout as the staff incorporates new processes and scanning hardware ▪ As processes are perfected and scanning preparation time is eliminated, the expectation is that scanning will become a half-time job
Reduction in labor – Attaching images to ID Numbers	Increase efficiency and accuracy of attaching images to ID numbers • Automation will remove the possibility of attaching wrong ID numbers to images, so the manual correction process for this is eliminated • With current system, staff spends approximately 3-4 hours per week on this function, which will be eliminated with the new system

Reduction in labor – track workflow progress	Progress dashboard utilization for supervisors to track workflow progress
	• Supervisors will be able to monitor the work accomplished by all employees in relation to the volume of work
	  o Hourly
	  o Daily
	  o Weekly
	  o Monthly
	  o Yearly
	  o By filing type
	
	▪ Supervisors will be able to quickly know which staff members can be temporarily assigned to other work units based on the volume of work at hand

Reduction in labor – Staff Overtime	▪ Staff overtime

	- Below is the amount of overtime that staff has spent in the current and prior biennium working overtime to support a backlog in the current system: 2003-2005: 20 employees, 2,762.5 hours 2005-2007: 23 employees, 3,355.25 hours 2007-2009: 23 employees; 7024 hours 2009-2011: 25 employees; 9150 hours 2011-2013: 25 employees, 6,300 hours (as of the date of this report). - The SOS team is estimating that after the new system is implemented and stabilized, overtime hours will be significantly reduced.
Consolidation of IT systems and elimination of antiquated technology.	- Eliminate the use of AS400 for registrations and licensing - Success criteria is that use of (and related costs spent on) the AS400 is eliminated - Remove CIS filings from the mainframe - Success criteria is that use of (and related costs spent on) the mainframe is eliminated - Combine CIS and business indexes into the same database - Success criteria is the elimination of duplicated efforts relating to data - Combine campaign finance filings into the "one" filing system for the office - Success criteria is the elimination of an unnecessary WebSphere utility and the costs for hosting, maintenance, and modernization - Creating interfaces between PeopleSoft and the system to expedite accounting procedures with better accuracy. - Success criteria is the elimination of manual entry of accounting data into two separate software systems, which will reduce data entry errors and save time
Campaign Finance	This would create the first on-line filing option in ND for campaign finance reports.

Cost/Benefit Analysis
Anticipated Benefits   - Improved and more efficient business processes   - Reduced paper document handling and improved quality of data indexing   - Front-end scanning business processes and validation   - Performance measurement tools

- o Ad hoc reporting capabilities
- o Online services
- o Improved imaging and indexing
- o Improved data quality resulting from decreased manual entry
- o Utilization of progress dashboard enabling supervisors to track workflow progress
- o (Note: Above benefits in process efficiency largely translates into more effective use of office staff time.)
- Technology benefits
  - o Retirement of unsupported AS400
  - o Retirement of mainframe system
  - o Retirement of WebSphere system
  - o Regular software updates of system including new business functionality and technological enhancements
  - o Separate environments for Testing, Training, and Production.
- Retention
  - o The system will keep track of the retention schedules for all documents filed according to state records management requirements.
- Dynamic Forms Capability
  - o SOS staff will be able to create new filings within the system based on Legislative requirements without the need for ITD involvement.

Key Constraints or Risks

The project has the following constraints:

- Any new forms added or any form changes made after the design phase will require integrated change control.
- SOS resource constraints due to all increases of work for the SOS office (e.g. economic growth within the State, Legislative session action, and retention of key SOS employees).
- ITD Resources and contractors
- The appropriated costs of the project will remain within $3.5 million.
- Cost, schedule, scope, and quality are often in conflict during projects. The sponsor elected to prioritize as follows:
  1. Quality
  2. Cost
  3. Schedule
  4. Scope

Project Risks:

- Risks for the project execution:
  - o Staff has been identified within the ITD office to assist in implementation at the specific times

they are called for in the project schedule (Staffing assignments will be continually reevaluated to ensure the office and project workload can be completed effectively).

- o Staff has been identified in the ND Secretary of State's office to actively participate throughout the project (Staffing assignments will be continually reevaluated to ensure the office and project workload can be completed effectively).

- o Data Conversion: This project will require data conversion from existing systems to a new system. Historical information proves that this is often a risky part of the project with potential for cost or schedule overruns. (Risk has been minimized by data cleaning completed well in advance of mapping it to a new system.)

- o Image Conversion: The potential need and costs associated with contracting this service. (Potential staff will be identified and contacted early in the planning phase to confirm their availability and establish a cost estimate for budget purposes.)

- o Missing requirements - there is always the possibility that requirements have been missed, misunderstood or improperly estimated (A considerable amount of time was dedicated to analysis to try to ensure this did not occur).

- Risks of not completing the project:

  - o Mainframe, AS400, and WebSphere related risks:

    - Costs to maintain will continue to accrue and increase

    - Staff to maintain these systems is limited, with little or no redundancy

      - Only one RPG/AS400 programmer available currently

    - The SOS office has a progressive trend of increased business filings every year. This requires more processing power which may not be available in the existing systems

  - o Continued increases of staff overtime spent working manual processes as filing inputs continue to increase

  - o Online services that are demanded by the customer would be difficult to achieve

  - o Items that are required in the SOS technology audit simply cannot be achieved in the current system (e.g., primary edits on all data fields, access authorizations on every data field, other security factors)