PROGRESS REPORT ON

SELECTED

INFORMATION TECHNOLOGY PROJECTS

IN THE COMMONWEALTH

MARCH 2007

APA

Auditor of
Public Accounts
COMMONWEALTH OF VIRGINIA

REPORT SUMMARY

This report is our review of Commonwealth systems development projects totaling over $475 million in budget. Included is our first status report on the Virginia's Enterprise Application Project, which has an estimated cost of roughly $300 million and may take seven years to complete.

The State Board of Elections is concluding its implementation of the Virginia Election and Registration Information System, which satisfies requirements of the federal Help American Vote Act. Additionally, the State Police is undertaking the installation of an administration system without proper approval and a systems project plan.

- T A B L E O F C O N T E N T S -

OBJECTIVES AND SCOPE

We audit a number of systems development projects on an on-going basis, as described in Appendix B. The objectives of our audits are to determine that:

- the project manager complies with the Commonwealth's Project Management Standard, as issued by the Virginia Information Technologies Agency; and

- the project remains on time, within budget, and on scope.

Our reviews generally include examining documents including the project charter, project plan, communications plan, and risk mitigation strategies. We regularly attend project meetings to note any issues affecting the project and meet with the project managers to offer suggestions and recommendations based on our experience monitoring implementations throughout the Commonwealth.

Our goal is to detect problems at the earliest possible point and alert decision makers to this information, thereby reducing project failures. During our review process, we also gain an understanding of the system and its controls that will allow us to plan future audit work involving that system. A detailed explanation of our review process is included later in this report in Appendix A.

The purpose of this report is to provide a progress report of selected projects we are actively auditing along with any recommendations we have to improve the project management. Specifically, this report highlights the following systems development projects:

- Virginia Enterprise Application Project (VEAP)
  Office of Governor
- Virginia Election and Registration Information System (VERIS)
  State Board of Elections
- Project New Horizons
  Virginia State University
- Oracle E-Business Suite
  Virginia State Police

For the projects outlined above, this report describes the project activities and their status. We verified the accuracy of this information with all of the agencies; however, since there was no formal audit report published, we did not conduct an exit conference or receive an agency response.

A background and history of all the projects we are currently following is in Appendix B; therefore, we do not repeat the background and history below for each of the highlighted projects except for the Enterprise Applications project. Instead, we focus only on our findings, recommendations, and project response strategies relative to these projects. In addition, the Auditor of Public Accounts website at www.apa.virginia.gov has all historical reports by searching on the specific agency name.

HIGHLIGHTS OF SELECTED SYSTEMS DEVELOPMENT PROJECTS

Virginia Enterprise Application Project (VEAP)
Office of the Governor

General Description

On January 4, 2006, the Office of the Governor entered into a public-private partnership with CGI (formerly known as CGI-AMS) to transform and upgrade the Commonwealth's business operations and systems. Presently, the central Commonwealth systems are over 25 years old and improvement of these systems is necessary for the adequate management of the Commonwealth's resources.

History

In late 2003, the Virginia Information Technologies Agency (VITA) received five unsolicited proposals under the Public Private Education Facilities and Infrastructure Act of 2002 (PPEA). As required by the Code of Virginia, VITA adopted procedures for reviewing PPEA proposals, formed an internal PPEA Proposal Review Committee and conducted a preliminary review of the proposals. Because the proposals had aged, VITA requested that the vendors update their proposals in April 2004. The follow-up review of the refreshed proposals resulted in a recommendation to reject one proposal and proceed to the next stage with the remaining four vendors. The Secretary of Technology concurred with this recommendation and subsequently posted a public invitation for vendors to submit competing proposals. VITA did not receive any additional proposals by the August 2, 2004 deadline; however, the remaining four vendors submitted updates to their initial proposals.

In August 2004, the Commonwealth's Chief Information Officer (CIO) expanded the PPEA Proposal Review Committee to include individuals from other entities including the Secretaries of Finance, Administration and Technology, the Departments of General Services, Motor Vehicles, Corrections, Education, Social Services, Planning and Budget, the Treasury, Transportation, Human Resource Management, and Accounts and the Virginia Employment Commission. The CIO served as Committee Chair, and he divided the members into three new subcommittees to include Overall Scope, Financials, and Enterprise Applications. The Overall Scope subcommittee considered the proposals approach to enterprise reengineering, the Financials subcommittee reviewed and ranked the financial aspects of the proposals, and the Enterprise Applications subcommittee reviewed and ranked the proposals approach to reengineering and automating the Commonwealth's enterprise-wide systems.

In November 2004, the PPEA Proposal Review Committee concluded that the proposals fell into two specific categories and recommended that the vendors proceed through the process as follows:

- Infrastructure - providing technologies such as mainframes, data centers, desktops, and laptops (IBM and Northrop Grumman)

- Enterprise Applications – providing solutions and business processes associated with human resources, accounting, budgeting, and procurement (CGI and IBM)

This report focuses on the Enterprise Applications category and all information hereafter relates specifically to events surrounding this project. Readers may find information related to the infrastructure project on our website, www.apa.virginia.gov, in our report titled, "Service Management Organization of the Virginia Information Technologies Agency – February 2007."

In November 2004, the PPEA Proposal Review Committee received the Information Technology Investment Board (ITIB), Secretary of Technology and Governor's approval to begin the detailed review phase with IBM and CGI. Subsequently, VITA reduced their involvement in the enterprise applications project since other agencies and individuals had assumed responsibility and had the expertise in Commonwealth financial and administrative applications. The Secretaries of Finance and Administration became proponents for the enterprise applications solution.

The Governor appointed an Enterprise Applications Program Director to lead the detailed review phase and in April 2005, the Governor formed an Enterprise Applications Steering Committee (Steering Committee) with representatives from the Secretary of Technology and the Departments of General Services, Human Resource Management, Accounts, and Planning and Budget, and VITA. The Steering Committee worked with IBM and CGI to gather and analyze data related to the Commonwealth's administrative systems and processes through a process known as joint due diligence. The Steering Committee also prepared a draft statement of work and a draft comprehensive agreement (including terms and conditions) and provided them to IBM and CGI to use in completing their final proposals that were due in August 2005.

During August and September 2005, the Steering Committee evaluated the vendor's proposals and attended verbal presentations describing their approach. The Steering Committee ultimately chose CGI because their proposal demonstrated experience, resources, and methodologies for implementing enterprise application programs in governmental and commercial environments. Some of the critical CGI proposal points included the following.

- CGI agreed to share some risks in achieving the desired result.
- CGI would assist in identifying potential cost reductions.
- CGI agreed to work with the Commonwealth staff to understand all business requirements before promoting specific technology solutions.
- CGI's attempt to ensure the Commonwealth remains relatively self-sufficient in delivering core business processes.

CGI suggested they could reduce the cost of implementing the new enterprise system by reducing operating expenditures over the seven-year implementation period. CGI also asserted that the Commonwealth would be able to generate additional revenues to pay for the implementation through better collections and cost recovery programs which CGI proposed to establish.

The Steering Committee was concerned with several aspects of the IBM proposal, including the following.

- IBM claimed the enterprise system funding would come through large cost reductions resulting from significant enhancement of business processes and systems, and improvements could be supported over time by a reduced workforce.
- IBM proposed current technologies and agency projects as a starting point for the enterprise solution, which would result in pre-selection of new software for many areas prior to working closely with the Commonwealth to define business requirements.
- IBM proposed to outsource a number of critical functions, including the maintenance of legacy systems from the outset.

The Steering Committee believed a public-private partnership with CGI was in the best interest of the Commonwealth and on September 8, 2005, the Enterprise Applications Project Manager presented a preliminary business case and received the ITIB's approval to proceed with negotiating a formal public-private partnership comprehensive agreement with CGI.

On January 4, 2006, the Commonwealth entered into a seven-year performance-based agreement with CGI to redesign and implement new administrative, financial, human resource, and supply chain systems by doing the following

- Identify redundant administrative processes across state government.
- Recommend reengineered processes to increase efficiency, productivity, and to reduce cost.
- Propose an enterprise computer system to help address these issues.
- Propose collection and cost recovery programs.

The Governor subsequently created the Virginia Enterprise Application Program Office (VEAP), which is headed by a Program Office Director (Director) selected by the Governor to serve under a six-year contract. The Director is a state employee and reports directly to the Governor; however, the ITIB has responsibility for reviewing and approving the Director's qualifications prior to finalizing the Director's contract.

Until April 2007 the VEAP was overseen by an acting Director and in April 2007, the ITIB approved Peggy Feldmann as the new Director. Ms. Feldman has significant experience in government integrated systems implementations, and she is empowered by the Appropriation Act to direct the Commonwealth's efforts throughout the VEAP.

Budget

The VEAP currently estimates the direct costs of the redesign and implementation agreement to total about $300 million over the seven-year implementation period. CGI's detailed proposal estimated that revenue enhancement initiatives they planned to implement would fund the majority of these costs, but to date there are no initiatives.

The 2006 General Assembly appropriated $11 million to the VEAP for the 2007-2008 biennium to fund the vendor selection and planning stages of the project. The ITIB controls the release of the appropriated funds, including revenue that the VEAP may collect from CGI's enhancement initiatives. Currently, the ITIB uses information from VEAP briefings to determine the amount of funds to release.

To date the ITIB has released the $5.5 million fiscal 2007 appropriation and authorized the release of a portion of the fiscal 2008 appropriation on July 1st to sustain the project until the ITIB's next meeting in July 2007. The ITIB has requested the VEAP provide information at that time regarding future funding plans beyond the initial $11 million to include revenue enhancements and contributions from participating state agencies. Then the ITIB will consider whether to release the remaining fiscal 2008 appropriation. The ITIB has expressed concerns that the VEAP Office and CGI do not have any alternative funding plans in place and the project will exhaust the fiscal 2008 appropriations by October 2007, with no money remaining for the project to continue. The ITIB is reluctant to release the remaining fiscal 2008 funding without an alternative funding plan in place to support VEAP.

<u>Timeline</u>

The Project's implementation schedule is seven years, with the current focus on the financial management component, which consists of multiple modules. The Commonwealth's plans are to implement the performance budgeting module first, followed by the general ledger, accounts payable, revenue and accounts receivable, time and attendance, cost accounting, and fixed assets modules. Although the VEAP implementation team has cited June 2008 and June 2009 as milestones for the implementation of budget and other financial management modules respectively, these are only early milestone dates and are subject to change once more detailed plans emerge.

Most agencies with their own financial system will begin using the new system later and will need to develop interfaces to the enterprise system until they eventually begin solely using the new enterprise system. The VEAP expects these conversions to continue through 2011. Following the successful implementation of the financial management components in 2009, the Commonwealth will begin to implement human resource, supply chain, and administrative components beginning in 2010.

The VEAP timeline is tentatively broken down below:
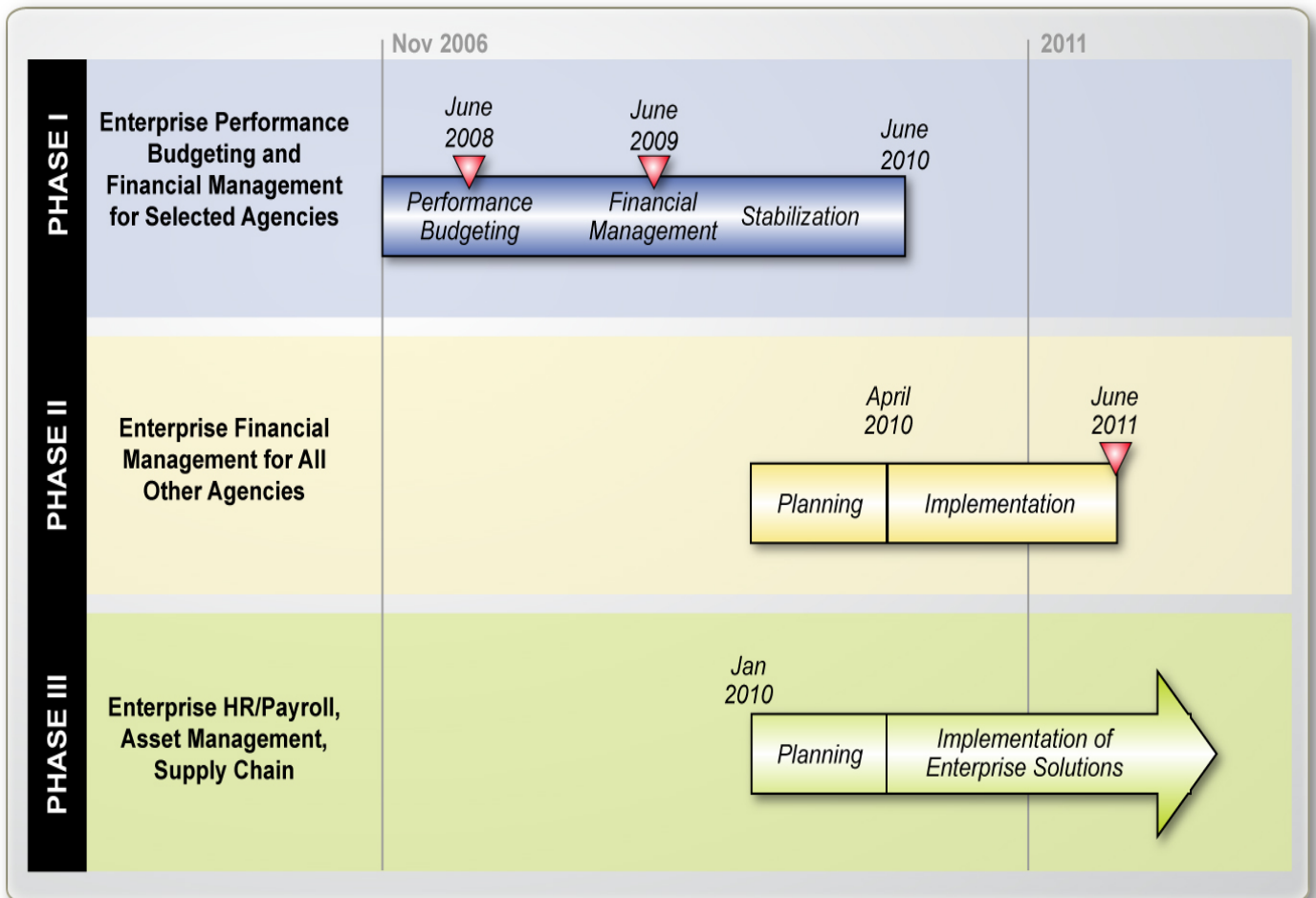
The VEAP Planning Committee has divided the Financial Management component into a technical team and multiple functional teams each representing a separate business process within the financial management module. These functional workgroups, listed below, began meeting in January 2007.

- General Accounting
- Cost Accounting
- Encumbrances/Purchasing
- Accounts Payable
- Accounts Receivable
- Fixed Assets
- Performance Budgeting
- Time and Attendance

The schedule of work to select a VEAP software solution is tentatively broken down below:
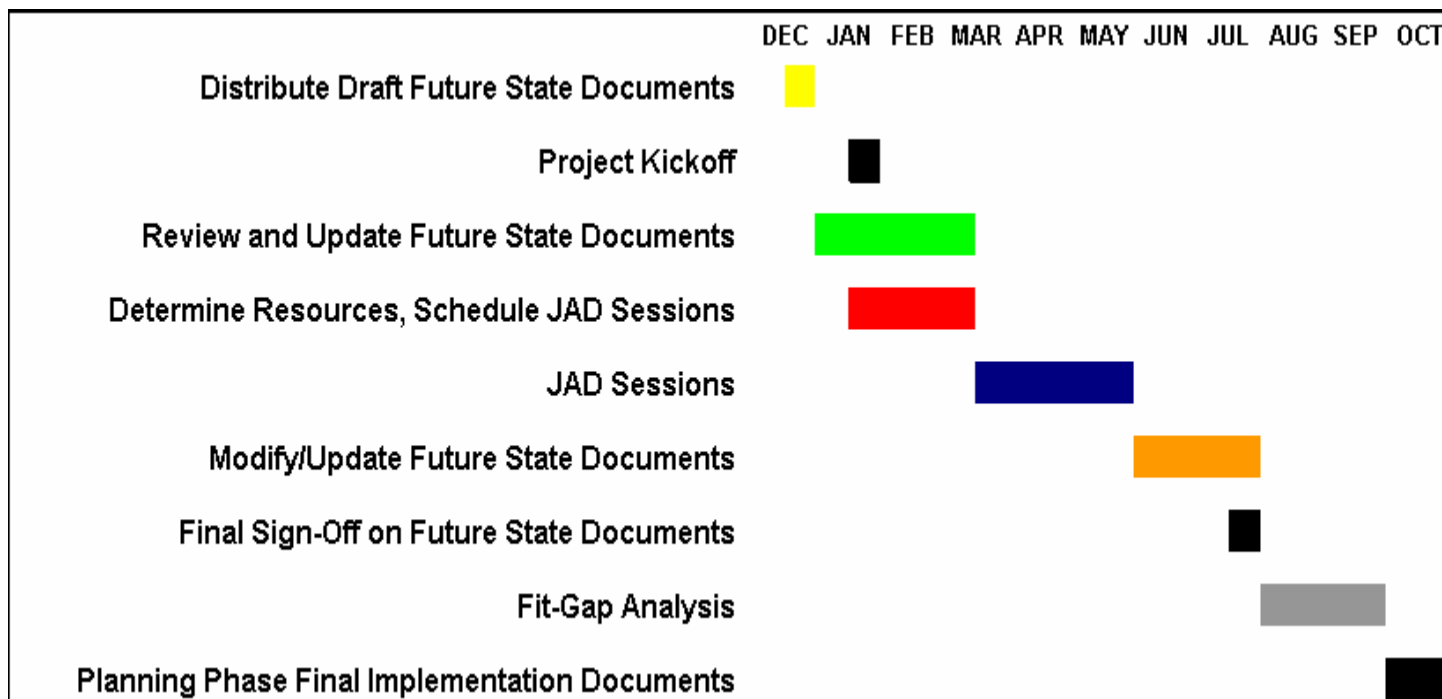
Functional workgroups encompass experienced personnel from state agencies. These workgroups' primary responsibility is to prepare future state documents that describe how specific functional areas should work after implementation of new software. The future state documents represent business threads, processes, and requirements needed for agencies to perform their daily operations.

The functional workgroups concluded on March 15, 2007, and Joint Application and Design (JAD) sessions commenced on April 3, 2007. The technical workgroup is working closely with the functional workgroups to cover all technical workflows, is attending functional JAD sessions, and will continue meeting until September 30, 2007.

JAD sessions focus on any overlooked or additional requirements not identified in the initial workgroups and will attempt to reduce the likelihood of missing requirements. During the functional workgroup meetings, the team leads chose subject matter experts from various agencies to participate. Once the JAD sessions conclude, the functional workgroups will modify and update the future state documents with

any additional information gained during the JAD sessions. This version of the future state documents will be the final version barring any edits from the management team.

<u>Vendor Selection</u>

The VEAP posted their software solution Request for Proposal (RFP) on the Commonwealth's electronic procurement system, eVA, on March 9, 2007, and vendors responded with proposals by the April 9th deadline. The planning committee hopes to have a software contract awarded in early July 2007.

Once the VEAP procurement team selects a software solution, a Fit-Gap Analysis will begin. The Fit-Gap Analysis will compare necessary functionality identified in the future state documents to the software solution and identify missing areas. The VEAP is confident that the selected vendor's software solution can adequately cover the majority of the Commonwealth's operations with any gaps being resolved through legislative changes to the <u>Code of Virginia</u>, redesigning of business processes, or passing new legislation.

<u>Oracle E-Business Suite</u>
Virginia State Police

Recently we found that the Virginia State Police have been implementing modules of an enterprise financial system without the approval of the Virginia Information Technologies Agency (VITA) Project Management Division and the Chief Information Officer (CIO). State Police initially requested and received VITA and CIO approval to implement certain specific software modules that are required to support a statewide radio system for public safety personnel and first responders. State Police did not implement all of the approved modules and actually implemented some other modules that were not part of the request.

To understand why this occurred and to validate our facts, we sent a letter to both the CIO and State Police in May 2007. Both parties have agreed to meet with us in early June 2007 to discuss the facts in more detail. Based on the results of that meeting, we may have audit recommendations that will appear in subsequent audit reports.

<u>Virginia Election and Registration Information System (VERIS)</u>
State Board of Elections

Elections went live with VERIS on February 1, 2007. This implementation occurred more than one year after originally contracted and more than one year after the Help America Vote Act (HAVA) imposed deadline of January 1, 2006. The project schedule slippage resulted from missed deliverables, poor application performance during user acceptance testing, problems with data accuracy, and resource and communication issues within the project team. The addition of a new project director and manager, and project team reorganization addressed these issues.

With implementation essentially complete, the project team is in the project closeout phase, performing final acceptance activities and releasing and transitioning project resources to support VERIS' ongoing maintenance needs. As of March 31, 2007, Elections has spent $8,557,495 on the project. As they have yet to make their final acceptance of the product, Elections has a large payment remaining to the vendor. Elections expects final project costs through project close out on May 30, 2007, to total $12 million.

Elections continues to update the United States Department of Justice (DOJ) regarding VERIS' implementation status. In January 2007, Elections sent a pre-clearance letter to move off their legacy system

and onto VERIS. They are holding off on sending their final compliance notification to DOJ until final acceptance of the product, which will happen in May 2007as a part of the closeout process. Based on DOJ's responses to date, they are supportive of Elections efforts meet the HAVA compliance. Given the status of the project, funding no longer appears to be at risk.

Project New Horizons
Virginia State University

We have continued to monitor Virginia State University's progress in implementing their new Banner administrative systems, Project New Horizons. Since we issued our last progress report, the University implemented Banner Financial Aid in January 2007 and plans for full implementation of the Banner Student module by July 2007. The Admissions component of the Student module went live in October 2006 with the Admissions Office entering and accepting student applications for Fall 2007. As of March 2007, the University enabled the web admissions and self-service functions that allow prospective freshman students to apply on-line for University admissions.

Project New Horizons is entering another critical stage and is currently converting old academic records for the Banner system. This process is behind schedule and there remains a significant amount of work to complete in a short period-of-time. With no remaining slack in the project schedule to absorb delays converting these records, every delay could result in decreased system testing, error resolution, or implementation delays. The APA remains actively involved with the Project Management staff and will continue to monitor the project through its implementation.

Introduction

Section 2.2-803(b) of the <u>Code of Virginia</u> requires the Auditor of Public Accounts to review financial systems implemented by state entities. To facilitate this review we use staff specialists trained predominately in systems development best practices and audit techniques. The results of these reviews are often included within the responsible agency's annual financial audit report. Additionally, there are occasions where we issue special reports responding to legislative requests to review and report on a specific systems development effort.

During the 2003 General Assembly session, the Commonwealth created the Virginia Information Technologies Agency (VITA), established a Commonwealth Chief Information Officer (CIO) position, and created an Information Technology Investment Board (ITIB), effective July 1, 2003. The ITIB is responsible for initially approving systems development projects and determining whether they should continue based on information obtained from the CIO. This progress report serves to provide information to the CIO, ITIB, Legislature, and Governor to aid in making well-informed decisions regarding the continued support of projects.

Because we are involved with many projects from their start, we have the opportunity to review planned controls and audit trails designed in the system to ensure they sufficiently protect data and log activities. Further, by understanding planned controls early, we can aid in the future development of effective and efficient audit procedures.

Through the years, there has been an increasing amount of money spent on system development projects. Some of these projects have run over budget (either time or money), while others resulted in failure. A major goal of our involvement in projects is to determine when and if a project is not progressing as planned and alert any chief parties of this information, thereby, mitigating the potential for failure at the earliest point possible. We view our involvement as one of early detection and prevention and work with the project manager and agency management to foster a positive working relationship.

Methodology to Identify Projects for Review

During the year, we monitor many resources to identify potential systems development projects. These sources include the following as well as others not listed.

- The Information Technology Investment Board and related subcommittees
- Legislative meetings
- Appropriations Act and Budget Bill
- Discussions and meetings with agency management and systems professionals
- Joint Commission on Technology and Science - JCOTS meetings
- Council on Technology Services - COTS meetings
- VITA Project Management Division
- Dashboard - VITA's electronic record of development projects
- Discussions and meetings with financial audit staff and project leaders within the APA

Once we identify a potential systems development project, we maintain a record of that system. However, the volume of projects ongoing at one time dictates that we identify and follow only those that represent the most risk to the Commonwealth. To achieve this we accumulate information about the system

based on meetings with agency personnel and use this information to calculate a risk score using the following risk factors.

- Project budget
- External dependencies such as others relying on the information
- Management support
- Importance of the system to the agency's mission
- Agency's experience and history at implementing systems
- Complexity of project and technology
- Project phase, higher risk of failure in early stages of development

We rank all project risk scores from highest to lowest and the Systems Development team members convene to discuss the highest risk projects and assign available staff to audit them. We re-evaluate the risk scores at least three times a year so that new projects or ones whose risk has increased can undergo more thorough auditing.

Systems Development Audit Approach

We audit the project throughout its development life cycle phases and determine if it is meeting the six tangible success elements contained in every project phase. Projects that contain these six tangible success elements have a higher likelihood of on time completion, meeting the budget, and achieving the desired objective. The six tangible success elements are:

1. Project Scope and Time Management
2. Commitment
3. Risk Management Mechanisms
4. Financial Management Mechanisms
5. Procurement and Contract Management
6. Communication

These project success elements are considered standards for the project management profession and are described in detail in, *A Guide to the Project Management Body of Knowledge (PMBOK Guide)*, created by the Project Management Institute (PMI). The industry recognizes the PMI standards as best practices for project management.

> Project Scope and Time Management - Project managers define the business need, prepare a detailed project plan, and define a method to control changes to the project plan as part of their project scope and time management. Project scope management defines and controls what is and what is not part of the project. Project managers measure their success at achieving scope management by comparing actual activity and deliverables against the requirements and plan.
>
> Project time management involves defining detailed project activities, deliverables, schedules, and schedule controls to improve the likelihood of completing the project on schedule. Project managers typically receive ongoing requests to expand or contract project scope or to modify schedule estimates while the project is underway. It is critical that project managers define the procedures to follow for changing the project plan baseline, including required approvals, to ensure the project's successful scope and time management.

Commitment - Project managers seek to obtain strong executive, legislative, and agency commitment to a project, and assign sufficient and competent staff as part of their project resource management. Project resource management makes the most effective use of people involved with the project and involves identifying and assigning project roles, including end user involvement, obtaining the appropriate human resources to work on a project, and developing staff competencies with the new application.

Risk Management Mechanisms - Project risk management involves the processes of identifying, analyzing, and responding to project risk. Project risk is an uncertain event or condition that can have a positive or negative effect on a project objective. Project managers use risk management to identify potential risks and minimize the probability and consequences of adverse events through the development of risk response strategies and use of risk monitoring techniques.

Financial Management Mechanisms - Project managers compile complete cost estimates and budgets, attempt to secure a dedicated funding source, and control changes to the budget as part of their financial management. Project managers use the detailed project plan, historical information, and alternatives to create the project budget. Once established, project managers use cost management to provide a change control system that defines the procedures for allowing changes to the cost baseline (budget).

Procurement and Contract Management - Project managers incorporate sound vendor and product selection processes and seek to develop a legally enforceable contract as part of their procurement management. Project procurement management involves all of the processes required to acquire goods and services from sources outside the agency. Elements include: determining when to procure products and services outside of the agency, selecting the best vendor to provide the goods and services, and establishing a well defined contract that describes the products or services that will satisfy the identified need. Contract management is the process of ensuring that the vendor's performance meets the contractual requirements.

Communication - Project managers develop strong team communication, information distribution, and performance reporting mechanisms as part of their communications management program. Project communications management provides the critical links among the project team. It also ensures the generation, collection, dissemination, storage, and disposition of project information to individuals inside and outside the project team including the Governor, legislature, public, and future users who are not part of the project team.

Reporting Audit Results

We report the results of our reviews in different ways, depending on the circumstances. Often we include project background and status information within the annual audit report of the agency. If there is a legislative request that we review a system, we will prepare a written report specifically addressing the legislative request. Finally, if we identify project management concerns that are serious and not being resolved timely, we immediately prepare a report that details our concerns and the corrective action.

Comprehensive List of Systems Development Projects Currently Under Review

The systems development projects listed below are those projects we are actively auditing. While this list is not inclusive of all current projects across the Commonwealth, it does represent those that we consider of the highest importance due to risk, budget, phase, and/or impact of the system.

Agency	System Name	System Budget	Page
Corrections	VirginiaCORIS – Phases II and III	$14,500,000	13
Motor Vehicles	Customer-centric, Service-oriented, State-of-the-Art, Secure, and Intelligent (CSI)	34,170,700	14
Rehabilitative Services	Integrated Case Management (ICM)	5,084,691	15
Transportation	Roadway Network System (RNS)	7,308,122	16
Motor Vehicles	Traffic Records Electronic Data Systems (TREDS)	5,300,000	17
Longwood University	Banner, Longwood's Implementation Strategy for Success (BLISS)	7,359,421	18
Office of the Governor	Enterprise Applications Public Private Partnership	300,000,000	19
Taxation	Virginia Tax Online (VTOL) Upgrade	1,774,595	20
University of Virginia	Student System Project	15,000,000	21
University of Virginia Medical Center	Integrated Healthcare Information Management System (IHIMS)	53,800,000	22
Virginia Commonwealth University	Administrative Re-engineering through Integrating Electronic Services (ARIES)	11,400,000	23
Virginia State University	Project New Horizons	5,947,291	24
Virginia Employment Commission	Virginia Workforce Network Information System (VWINS)	3,500,000	25
Community Colleges	Administrative Information System	8,912,836	26
Forestry	Integrated Forest Resource Information System – Forest Protection and Mobile Computing	1,204,540	27
	Total Budget	$475,262,196	

We have not repeated all projects from our December 2006 progress report because some of the projects may have ended or been placed on hold. For example, since our last report, the Department of Health's Electronic Health Record System is permanently on hold. The Joint Commission on Technology and Sciences formed an Electronic Medical Record advisory committee and Governor Kaine formed a Health IT Council to examine issues and make recommendations regarding electronic health and medical records. The CSI Project, highlighted on page 14, at DMV is the new name for a project previously named Integrated Systems Redesign. The Jamestown-Yorktown Foundation's Ticketing Improvement System is complete and closed. The Virginia Election and Registration Information System (VERIS) at the State Board of Elections went live in February 2007; the project is complete and more information is in the 'Highlights of Selected Systems Development Projects' section. The reader can find historical information on this and other projects in our previous Interim Progress Reports available at www.apa.virginia.gov.

Comprehensive List of Systems Development Projects Currently Under Review

<u>VirginiaCORIS - Phases II and III</u>

The Department of Corrections is implementing an automated Offender Management Information System, VirginiaCORIS. CORIS is the software solution purchased from xwave New England. Corrections developed the current offender applications over the last 30 years to satisfy individual functional area needs. These stovepipe applications no longer provide the functionality required by the Corrections end user.

VirginiaCORIS is comprised of three major phases: Offender Sentence Calculation, successfully implemented in March 2006; Community Corrections (phase II); and Institutional Operations (phase III). The final product will result in a single, fully integrated system that will replace Corrections legacy offender-related applications. This system is critical to Corrections mission.

Sponsoring Agency Information	Secretary of Public Safety: John Marshall
	Department of Corrections:
	   Project Sponsor: Gene Johnson, Director
	   Project Director: John Taylor
	   Project Manager: Jody Rogish

Current Phase of Development	Execution and Control
Project Timeline	Begin preliminary planning August 2005 Begin detailed planning June 2006 Begin Community Corrections release 1 August 2006 Offender Sentence Calculation lessons learned October 2006 Begin Community Corrections release 2 January 2007 Community Corrections release 1 completion November 2007 Community Corrections release 2 completion April 2008 Begin Phase III July 2007
Total Budget	$14,500,000
Funding	$1 million federal matching grant (75% federal, 25% operating budget) Requesting General Fund appropriations from General Assembly for remaining
Actual Costs (As of 3/31/07)	$ 2,218,837
Outside Contractor(s)	Project Management Contractor: CGI-AMS Independent Verification & Validation: North Highland Group, November 2006
Additional Information	This project is the next phase after the successful implementation of the VirginiaCORIS, Sentencing Module. The xwave solution is currently in production in Maine's Department of Corrections
Prior APA Report and Issue Date	No reports issued to date.

Customer-centric, Service-oriented, State-of-the-Art, Secure, and Intelligent (CSI)
(Formerly known as Integrated System Redesign)

DMV is currently proceeding with a project to replace and reengineer their Customer Service System (CSS). The project is currently in the second of a three-phase approach.
- Phase I: Project Initiation and High Level Business Process Re-engineering
- Phase II: Detailed Business Process Re-engineering and Solution Procurement
- Phase III: Phased System Development and Implementation

The goal is to replace the aging CSS system, which consists of over 12 systems to process transactions and maintain customer records. The new CSI solution will be more flexible and secure. This will facilitate easier changes to accommodate legislation, new technology and customer demands.

The project kickoff meeting was in October 2006, which included an integrated DMV/CACI project team as well as DMV Executive staff and Directors. The project kickoff included a project overview presentation including project vision, project team, roles and responsibilities, approach, milestones, business process re-engineering approach, etc. Phase 2 is currently in progress and began in February 2007. This phase consists of a detailed business process analysis and re-engineering effort and issuing an RFP to select a solution provider for Phase 3.

Sponsoring Agency Information	Secretary of Transportation: Pierce R. Homer
	Department of Motor Vehicles:
	    Project Sponsor: Karen Chappell, Deputy Commissioner
	    Project Manager: Tully Welborn, Project Manager CSI

Current Phase of Development	Initiation
Project Timeline	Initial Business Process Analysis Completion December 2005 Phase 1 Closeout February 2007 Phase 2 Project Milestones: • Complete Re-engineering Training, Preparation, Orientation May 23, 2007 • Release RFP for Solution Provider June 8, 2007 • Complete Solution Procurement Process February 2008 • Complete Detailed Re-engineering/Future Business Model March 2008 • Develop Go Forward and Transition Plan April 2008 Phase 2 Closeout April 2008
Total Budget	$1,670,700 for the Business Process Analysis and Impact Analysis only $32,500,000 current estimate for implementation of the system
Funding	100% Non-general funds
Actual Costs (As of 03/31/07)	$1,828,822
Outside Contractor(s)	• CGI - Comprehensive Business Process Analysis and Business Impact Analysis and Risk Assessment Analysis • CACI - Phase 1 – High Level Business Process Re-engineering • CACI - Phase 2 – Detailed Business Process Re-engineering
Additional Information	None noted.
Prior APA Report and Issue Date	No reports issued to date.

Comprehensive List of Systems Development Projects Currently Under Review

Integrated Case Management (ICM)

This project is an effort to integrate 21 legacy data management systems and data exchange processes into a single case management application to support services to people with disabilities across multiple agencies. The Department of Rehabilitative Services (DRS) is serving as the primary agency sponsor and point of contact for reporting to the Information Technology Investment Board. The Department for the Blind and Vision Impaired and Woodrow Wilson Rehabilitation Center are also participating in the project.

The project team continues to work with Alliance, the contractor, to implement their product, AWARE. They have completed the design stage and have moved into the development stage. The risk of schedule slippage continues to be an issue as the project team addresses multiple other risks, including:

- Potential changes to the implementation schedule for the Department for the Blind and Vision Impaired to better match their business processes and operational needs;
- Timing of existing hardware refresh by the Northrop- Grumman (NG) Partnership;
- Timely delivery of new hardware that must be procured through the NG Partnership; and
- Competing demands on agency resources due to the aggressive timeline for the financial system replacement project.

The ICM project team is monitoring these risks and developing mitigation strategies to address them. We continue to monitor the ICM project progress against the schedule in light of these developments.

Sponsoring Agency Information	Secretary of Health and Human Resources: Marilyn B. Tavenner
	Department of Rehabilitative Services:
	   Project Sponsors: Joseph Bowman, Commissioner, Department for the Blind and
	                     Vision Impaired
	                   James Rothrock, Commissioner, Department of Rehabilitative Services
	   Program Manager: Dennis Unger, Director of Information Technology
	   Project Manager: Susan Kropp

Current Phase of Development	Execution and Control
Project Timeline	Contract awarded March 2005 Discovery completed March 2006 Revised design completion January 2007 Revised development completion December 2007 Revised phase 1 agency testing completion December 2007 Revised phase 2 agency testing completion June 2008 Revised phase 1 agency Go-Live March 2008 Revised phase 2 agency Go-Live September 2008 Revised project closeout October 2008
Total Budget	$5,084,691 (including $150,000 in contingency) revised March 2007 from $5,006,891
Funding	100% Federal funds
Actual Costs (As of 3/31/07)	$1,530,095
Outside Contractor(s)	Primary Contractor: Alliance Enterprises, Inc IV&V Contractor: CGI-AMS (North Highland) for Sept/Oct 2005 and April 2006 reviews Northrup-Grumman (Paragon) for October 2006 review
Additional Information	Dennis Unger will retire effective May 1, 2007. Jim Roberts will replace him as program manager.
Prior APA Report and Issue Date	No reports issued to date.

Comprehensive List of Systems Development Projects Currently Under Review

<u>Roadway Network System (RNS)</u>

The RNS project creates a replacement system for the aging Highway Traffic Records Information System (HTRIS). The new system incorporates a relational database, links geo-spatial data and business attributes to the roadways, and provides web accessibility to users to retrieve roadway data.

The scope of work includes the following tasks:
- The migration of all the data from the old system to the new;
- Aligning the roadway geo-spatial data with the roadways;
- Connecting the business data to the geo-spatial roadway data;
- Building a web-based system for retrieving the roadway and business data; and
- Improving business processes previously limited by older technology.

Delayed project deliverables relating to a Virginia Geographic Information Network (VGIN) project had a direct impact on the RNS project progress. The Department of Transportation will use their own roadway centerlines for the rollout of the first RNS subsystems. A Memorandum of Understanding between VDOT and VITA will establish the initial quality standards and the maintenance process required to ensure statewide centerline data is both accurate and current. VDOT will transition to VGIN centerlines when the statewide dataset passes the standards outlined in the VDOT Roadway Center Line Quality Plan and in accordance with the project plan schedule. The complexity of this additional effort may affect the implementation date of individual RNS modules, as well as the overall project completion date.

Sponsoring Agency Information	Secretary of Transportation: Pierce R. Homer
	Department of Transportation
	  Project Sponsors: Gary Allen, Chief of Technology and
	                    Constance Sorrell, Chief of Systems Operations
	  Program Manager: Joe Pugh, IT Applications Manager
	  Project Manager: Scott McCombe

Current Phase of Development	Execution and Control
Project Timeline	Scheduled Execution and Control Completion May 2008 Scheduled Project Closeout June 2008
Total Budget	$7,308,122
Funding	Federal funding for RNS will total $1,600,000 (22%). The remaining funds (78%) are from the transportation information technology division operating funds
Actual Costs (As of 3/31/07)	$3,560,778
Outside Contractor(s)	IV&V Contractor: Bearing Point
Additional Information	The schedule and budget listed above reflect the current baseline based on delays resulting from VGIN and other factors affecting the RNS project. VGIN delivered the Statewide roadway centerline dataset in March 2007, in accordance with the revised schedule. The transition from VDOT centerlines to VGIN centerlines for the RNS project will occur following full implementation of the VGIN Roadway Centerline Maintenance Plan. This is currently scheduled during the third quarter 2007.
Prior APA Report and Issue Date	Commonwealth Transportation Fund - Agencies of the Secretary of Transportation, October 2004. *Reports are available by searching under the agency name at www.apa.virginia.gov*

Comprehensive List of Systems Development Projects Currently Under Review

Traffic Records Electronic Data System (TREDS)

The National Highway Transportation Safety Administration reports that in the year 2000 there were more than six million traffic collisions resulting in three million injuries and more than 41,000 fatalities in the United States. In Virginia alone, there are more than 160,000 traffic collisions reported each year. Millions of dollars in property loss, thousands of injuries, and hundreds of deaths annually are attributed to traffic collisions in the state. Separate agencies warehouse transportation and public safety information in the Commonwealth in a variety of formats ranging from paper to mainframe databases. Data is difficult to query in a timely manner and is not always consistent and integrated across agencies.

The proposed project, Traffic Records Electronic Data System's (TREDS) main purpose is to address several of key issues including:

- Streamlining and simplifying data collection for law enforcement;
- Increasing the efficiency and data quality by the use of automated edit checks;
- Providing the ability to process and electronically submit FR300 reports
- Eliminating data entry by multiple state agencies of the same crash report;
- Having data in a flexible architecture to address different analysis and reporting needs; and
- Eliminating manual data entry back logs.

The major focus in the design of TREDS is to create an automated process and application that all local, state, and federal agencies in Virginia can use. This system will support collection of information, a central data repository, and offer a set of flexible analytical and reporting tools.

Sponsoring Agency Information	Secretary of Transportation: Pierce R. Homer
	Department of Motor Vehicles
	    Project Sponsor: Dave Burhop, Chief Information Officer
	                  Dave Mitchell, Deputy Commissioner
	    Project Manager: Jennifer Peters/Christopher Linde
	Virginia Department of Transportation
	    Project Sponsor: Connie Sorrell, Chief of Systems Operations
	                  Gary Allen, Chief of Technology, Research and Innovation
	    Project Manager: Bob Rasmussen, VDOT Process and Grant Administrator
	                  Bill Cannell, IT Project Manager
	Virginia State Police
	    Project Sponsor: Lt. Col. Gene Stockton, Director of Field Operations

Current Phase of Development	Design
Project Timeline	Business Requirements / Solution Recommendation April 2006 (Complete) Phase I Support VDOT HTRIS decommission November 2007 (In Progress) Phase II Implement revised Crash Form January 2007 (In Progress) Phase III Implement Pilot Site June 2008 Phase IV Implement Statewide Rollout September 2008 through May 2009
Total Budget	$5,300,000 through project implementation
Funding	$4,300,000 Federal Highway Safety Project Grant $ 615,000 Section 408 Traffic Safety Information Systems Improvement Grant $ 385,000 Safety Data Improvement Program
Actual Costs (As of 3/31/2007)	$737,000
Outside Contractors	CACI – Project Management, Business Analysis and Technical Staff Infusuion – Sole Source Development Tools and Environment Configuration
Additional Information	None noted
Prior APA Report and Issue Date	No reports issued to date

Comprehensive List of Systems Development Projects Currently Under Review

Banner, Longwood's Implementation Strategy for Success (BLISS)

Longwood University (Longwood) has sought solutions to replace both their software and hardware infrastructures because their current administrative systems are outdated. Longwood chose the Banner software solution for their BLISS project to provide Longwood with an administrative system that gives accurate, accessible, reliable data in a secure, state-of-the-art environment.

BLISS' project execution began in September 2005 and will continue through the scheduled closeout in October 2007. Longwood went live with:
- Finance module on July 5, 2006;
- Human Resources module on January 10, 2007;
- Financial Aid module on January 29, 2007; and
- Student module on March 22, 2007.

The Student Accounts Receivable module is the next major milestone to Go-Live on July 2007.

In conjunction with the BLISS project, there are several ancillary products and services the University will implement to enhance BLISS' functionality. These ancillary services, which are outside the scope of the main project, are set to complete by January 2008.

Sponsoring Agency Information	Secretary of Education: Dr. Thomas R. Morris
	Longwood University:
	   Project Sponsor: Frank Moore, Vice President of Information and Instructional Technology Services, and Chief Information Officer
	   Project Manager: Joanne Worsham

Current Phase of Development	Execution and Control
Project Timeline	Master Agreement signed February 2003 VITA approves Project Charter December 2004 Planning phase begins January 2005 Project execution phase begins September 2005 Scheduled project closeout October 2007
Total Budget	$7,359,421 ($200,000 set aside for contingency)
Funding	100% internally funded by Longwood's operating revenues.
Actual Costs (As of 3/30/07)	$ 4,961,555
Outside Contractor(s)	Primary Contractor: Sungard Higher Education IV&V Contractor: Dana German, University of Mary Washington
Additional Information	Implementation of the Banner Finance to eVA Interface is delayed. George Mason University (GMU) is the first university that will install this interface, and they have 90 days to certify the installation for Banner Finance 7.2. Longwood is estimating that this interface will be ready for installation at Longwood in August 2007.
Report Name and Issue Date	Longwood University Report on Audit For the Years Ended June 30, 2005 and 2004. *Reports are available by searching under the agency name at www.apa.virginia.gov.*

Comprehensive List of Systems Development Projects Currently Under Review

Enterprise Applications Public Private Partnership

The 2006 General Assembly appropriated $11 million to fund the Enterprise Applications Public-Private Partnership Project Office. The Office is to implement new administrative, financial, human resource, and supply chain processes and systems by doing the following:

- identifying redundant administrative processes across state government;
- recommending re-engineered processes to increase efficiency and productivity and to reduce cost; and
- proposing an enterprise computer system or systems to help address these issues.

The areas needing replacement are currently comprised of various statewide computer systems, which are over 25-years-old (CARS, CIPPS, BES, PMIS) and a host of stand-alone agency accounting systems, such as those at the Departments of Transportation, General Services, and Education, to name a few.

Although specific plans, budgets and timelines are still in development, the Office expects to implement budget and general ledger systems first, followed by additional modules.

Sponsoring Agency Information	Office of the Governor 　　Project Sponsor:　Jody Wagner, Secretary of Finance 　　Project Manager:　Ned O'Neill acting through 4/18/07 　　　　　　　　　　　　Peggy Feldmann, permanent effective 4/19/07
Current Phase of Development	Planning
Project Timeline	To be determined
Total Budget	$300 million current estimate
Funding	$11 million General fund support for 2007-2008 biennium. $5.5 million in fiscal 2007 appropriations made available by the Information Technology Investment Board. Remaining funding from future appropriations, revenue enhancement initiatives to be implemented by CGI-AMS, as well as funding from agency partners, such as the Department of Transportation.
Actual Costs (As of 3/31/07)	$2,398,644
Outside Contractor(s)	Primary contractor:　CGI IV&V contractor:　North Highland
Additional Information	None noted
Prior APA Report and Issue Date	No reports issued to date.

Comprehensive List of Systems Development Projects Currently Under Review

Virginia Tax Online (VTOL) Upgrade

The Department of Taxation (Tax) and the Virginia Employment Commission (VEC) are working in collaboration to upgrade the Virginia Tax Online (VTOL) system. VTOL is a suite of E-government tools that allows taxpayers to interact electronically with Tax and VEC. VTOL is currently operating on outdated technology with long maintenance and enhancement timeframes that lead to increased costs. This project will move VTOL to a current technology platform, improving usability and security.

The VTOL project is currently underway with testing to be completed by June 2007, and the entire project set to complete by December 2007. The project funds are from General Funds as well as Federal Funds. The Federal Funds pass through VEC and will expire December 2007. The total project cost estimate is over $1.77 million. The project requires resources from both Tax and VEC. The project is also contracting with CGI to provide project management and technical expertise. The upgrade to a current platform will decrease maintenance and enhancement timeframes and will decrease future costs and risks.

Sponsoring Agency Information	Secretary of Finance: Jody M. Wagner
	Secretary of Commerce and Trade: Patrick O. Gottschalk
	Department of Taxation
	Virginia Employment Commission
	  Project Sponsors: Ron Holt, Deputy Commissioner (TAX)
	                        Shelby Robinson, Assistant Commissioner Field Operations (VEC)
	  Program Managers: Linda Foster, Assistant Commissioner (TAX)
	                        Shelby Robinson, Assistant Commissioner Field Operations (VEC)
	  Project Managers: Sharon Kitchens (Tax)
	                        Margaret McGugan (VEC)

Current Phase of Development	Execution and Control
Project Timeline	Test Execution Complete June 2007 Acceptance and Implementation July 2007 Scheduled project closeout December 2007
Total Budget	$1,774,595
Funding	$1,334,595 million in General Funds $440,000 in Federal funds
Actual Costs (As of 3/31/07)	$817,558
Outside Contractor(s)	IV&V Contractor: To be determined
Additional Information	The project is currently on schedule and within budget, and there are currently no issues with the project.
Prior APA Report and Issue Date	No report issued to date.

Comprehensive List of Systems Development Projects Currently Under Review

<u>Student System Project</u>

       The University of Virginia is presently in the initiation phase of the Student System Project, which is the third component of the University's plan to replace its core administrative information systems. The first two components of this integrated systems project, Finance and Human Resources, concluded in 2001 and 2002, respectively.

       The Student System Project seeks to transform student-related administrative processes that support the teaching, research, service, and health care missions of the University. This project will ultimately include the implementation of a new student information system as well as activity pertaining to the review and re-engineering of institutional policies and processes.

Sponsoring Agency Information	University of Virginia:
	  Project Sponsor: Gene Block, Vice President and Provost
	  Project Director: Charles M. Grisham

Current Phase of Development	Initiation
Tentative Project Timeline	Oracle/PeopleSoft chosen as vendor March 2006 Request for proposal released for consultant services June 2006 Primary consulting team on board January 2007 Estimated project closeout December 2010 *Detailed schedule to be established June 2007*
Total Budget	$15,000,000 placeholder for student system from original budget (see Additional Information section)
Funding	100% through University funding
Actual Costs (As of 3/31/07)	$4,901,663
Outside Contractor(s)	Primary Contractor: Oracle/PeopleSoft Primary Implementation Consultant: CedarCrestone IV&V Contractor: To be determined
Additional Information	The original approved budget, established in 1999, for the Integrated System Project was $58.5 million and included a placeholder of $15 million for the implementation of a new student information system. The project budget for the Student System Project will be updated by May 2007 with the assistance of the implementation consultants, given the selection of Oracle/PeopleSoft as the vendor and current industry guidance about the resource requirements for implementing a new student information system.
Prior APA Report and Issue Date	No reports issued to date.

Comprehensive List of Systems Development Projects Currently Under Review

Integrated Healthcare Information Management System (IHIMS)

The University of Virginia Health System (the Medical Center) is currently implementing the IHIMS solution with support from clinical system vendors that provide the needed application solutions. These vendors include Onyx Picture Archive Computer System (PACS) for image management in radiology, PICIS for system data collection and flowsheets, Streamline Health for document management, and GE Inc. (GE/IDX Inc.) for the continuum of care Electronic Medical Record.

The IHIMS project solution connects the Medical Center with its affiliates and ambulatory clinics in an integrated and transferable electronic medical records processing system. GE's Centricity Enterprise, formerly known as IDX Carecast, software application integrates results and medical chart data together, which enables it to be the "hub" for the various systems. This electronic medical records repository already provides doctors with timely online access to patient data, enhancing patient safety initiatives and quality outcomes. This repository will continue to evolve, eventually bringing the hospital, emergency room, and all 104 ambulatory care sites of the Medical Center's Health System together into one functional database. GE's acquisition of IDX has slowed the Carecast implementation by 12 months. The Medical Center will receive benefits from a contemporary clinical system, but costs are contractually in-line to 1999 dollars. The project team is implementing the ambulatory components, and the inpatient module planning is on schedule to dates below.

Sponsoring Agency Information	University of Virginia Medical Center
	   Project Sponsor: Barbara Baldwin, CIO
	   Project Manager: Cindy Perry

Current Phase of Development	Execution and Control
Project Timeline	Contract signed and Board Of Visitors approved May 1999 Interim Clinical Results Archive System implemented August 2001 Resequencing of IDX phases and amended agreement July 2002 Radiology Algotech/Kodak PACS November 2002 LanVision/Streamline Document Management August 2003 Multi-year data conversion and result repository November 2004 Pilot ambulatory clinic conversions July 2005 PICIS (critical care) first unit implementation March 2007 Inpatient modules completion March 2009 Emergency Department modules completion March 2009 Scheduled project closeout June 2009
Total Budget	$53,800,000
Funding	100% internal funded through the Medical Center revenues.
Actual Costs (As of 3/31/07)	$36,225,000
Outside Contractor(s)	Primary Contractors: GE Centricity Enterprise (GE acquired IDX in Jan. 2006) IV&V: University of Virginia Internal Audit
Additional Information	The IDX Carecast product is currently supporting patient care at over 9,000 other healthcare sites. In Jan 2006, GE merged with IDX. The Medical Center and GE negotiated project improvements that have moved the scheduled project closeout from 2008 to 2009.
Prior APA Report and Issue Date	No reports issued to date.

<u>Administrative Re-engineering through Integrating Electronic Services (ARIES)</u>

Virginia Commonwealth University is currently implementing the SunGard Higher Education Banner system to replace their major administrative systems (finance, student, financial aid, and human resources) that are currently on older technology. The Banner suite of products will use new technologies and allow the University to re-engineer administrative processes.

ARIES project execution began in July 2004 and will continue through November 2007 with project closeout scheduled in December 2007. The Finance and Human Resources modules successfully went live July 2006. The Student and Financial Aid modules are on track to meet their scheduled incremental Go-Live dates. The initial project budget is $11.4 million, $8 million in direct costs and an additional $3.4 million for internal personnel efforts over the life of the project. The project requires resources from many of the University's organizational units to provide the needed expertise, staffing, and decision-making. SunGuard Higher Education is an integral part of the team by providing both technical and functional resources for installation, training, process analysis, and operations.

Sponsoring Agency Information	Secretary of Education: Dr. Thomas R. Morris
	Virginia Commonwealth University:
	  Project Sponsor: Eugene Trani, President
	  Program Manager: John M. Bennett, Senior VP for Finance and Administration
	  Project Manager: James Thomas

Current Phase of Development	Execution and Control
Project Timeline	Project Charter approved by the ITIB May 2004 Financial and Human Resources modules scheduled Go-Live July 2006 Student and Financial Aid module scheduled incremental Go-Live April through November 2007 Scheduled project closeout December 2007
Total Budget	$11,400,000
Funding	$8 million in direct costs ($3 million non-general funds; $5 million general funds) $3.4 million in internal personnel efforts
Actual Costs (As of 3/31/07)	$7,789,848
Outside Contractor(s)	Primary vendor: SunGard Higher Education IV&V Contractor: CACI
Additional Information	Functional area teams are lead by business managers and consist of several sub-teams focused on specific processes
Prior APA Report and Issue Date	No report issued to date.

Comprehensive List of Systems Development Projects Currently Under Review

Project New Horizons

Virginia State University is implementing the SCT Banner system to replace their current system, SCT Plus. Banner will incorporate newer technologies and provide integration with web-based applications for information delivery. Virginia State University will use staff from both SunGard-SCT, Inc., the primary implementation service provider and business units across the University.

The Commonwealth's Information Technology Investment Board approved Project New Horizons in January 2004. Initial work on the project began in April 2004 and continued for eight months. During this period, Virginia Information Technologies Agency employed a vendor, CACI, to perform an initial Independent Verification and Validation (IV&V) review, which found the project off-track and not positioned for success.

The IV&V report led the Commonwealth's Chief Information Officer (CIO) to suspend the project in January 2005. The suspension lasted three months in which time Virginia State University worked to satisfy the required corrective actions, and the CIO reactivated the project in April 2005. Virginia State University met their scheduled Go-Live of July 1, 2006, for Finance, and the project team is currently implementing the Student and Financial Aid modules.

Sponsoring Agency Information	Secretary of Education: Dr. Thomas R. Morris Virginia State University: Project Sponsor: Eddie Moore, Jr., President Project Director: Judy Marchand, CIO Project Manager: Richard Barnes
Current Phase of Development	Execution and Control
Project Timeline	Project Charter approved by ITIB January 2004 Project suspended January 2005 Project reactivated April 2005 Finance with Human Resources integration modules Go-Live July 2006 Student and Financial Aid modules Go-Live September 2007 Scheduled project closeout October 2007
Total Budget	$5,947,291
Funding	Finance/Human Resources modules - $2,124,400 Student/Financial Aid - $3,698,091 IV&V Reviews - $124,800
Actual Costs (As of 3/31/07)	$5,409,314 (Total Actual Project Costs)
Outside Contractor(s)	Consulting Services: SunGard-SCT Software Vendor: SCT IV&V Contractor: Dana German, University of Mary Washington
Additional Information	The project met the scheduled Go-Live for Finance, July 1, 2006; Admissions, October 30, 2006; and Financial Aid, January 31, 2007. Virginia State is currently implementing the Student module, and we remain actively involved in monitoring the project.
Prior APA Report and Issue Date	Interim Report of Virginia State University's Project New Horizons - August 2005 Virginia State University Report on Audit for Fiscal Year Ending June 30, 2005 and 2006 *Reports are available by searching under the agency name at www.apa.virginia.gov*

Comprehensive List of Systems Development Projects Currently Under Review

Virginia Workforce Network Information System (VWINS)

The Virginia Employment Commission has contracted with Geographic Solutions Inc. to replace the current Virginia Workforce Network Information System (VWINS) with a robust, internet based, commercially available off the shelf application.

The VWINS replacement will integrate various federal programs into a single workforce information system, as required by the Workforce Investment Act of 1998 and Code of Federal Regulation. These programs include the Workforce Investment Act (WIA), Wagner-Peyser Act, Trade Act, Virginia Initiative for Employment not Welfare (VIEW), and Labor Market Information. By consolidating these programs, the citizens and employers of the Commonwealth can receive workforce services from multiple state and local agencies using a single workforce information system. A single workforce system will provide citizens and employers with the convenience of self-service workforce activities. In addition, this system will give policy makers the ability to interact with a single system for the determination of labor demand and labor supply decisions. Replace VWNIS will also eliminate duplicate data entry into multiple older systems and consolidate separate workforce information systems.

Sponsoring Agency Information	Secretary of Commerce and Trade: Patrick O. Gottschalk
	Virginia Employment Commission:
	  Project Sponsor: Shelby Robinson, Assistant Commissioner for Field Operations
	  Project Manager: Linda Belflower, CIO

Current Phase of Development	Execution & Control
Project Timeline	Geographic Solutions Inc contract Signed September 2006 Project plan completed & approved November 2006 Project execution phase begins November 2006 Project close out November 2007
Total Budget	$3,500,000
Funding	Federally funded
Actual Costs (As of 3/31/07)	$955,000
Outside Contractor(s)	Primary Contractor: Geographic Solutions Inc. Independent Verification & Validation: CACI.
Additional Information	Implementation of the current VWINS occurred in 2000 and has provided minimal utility to the overall Workforce System within the Commonwealth.
Prior APA Report and Issue Date	No reports issued to date.

Comprehensive List of Systems Development Projects Currently Under Review

Administrative Information System

The Virginia Community College System (VCCS) has chosen to implement PeopleSoft Financials. VCCS plans to replace mainframe-based financial, asset management, and limited procurement functionality with the PeopleSoft solution. In addition to the replacement of legacy software, the implementation of an Administrative Information System (AIS) for finance will include re-engineering of automated and manual business processes and development and implementation of interfaces to VCCS and Commonwealth of Virginia systems with the objective of improving service delivery to VCCS customers.

Sponsoring Agency Information	Secretary of Education: Dr. Thomas R. Morris
	   Project Sponsor: Karen Peterson, Executive Vice Chancellor
	   Project Manager: Jo Jo Martin

Current Phase of Development	Execution & Control
Project Timeline	Phase I – General Ledger, Accounts Payable June 2006 Plan & Design Sept 2006 Build & Unit Test Mar 2007 System & Integration Test May 2007 User Acceptance Testing & Training June 2007 Close Project Phase I Sept 2007 Phase II – Asset Management/Time and Expense Aug 2007 Plan & Design Sept 2007 Build & Unit Test Oct 2007 System & Integration Test Nov 2007 User Acceptance Testing & Training Dec 2007 Close Project Phase II Mar 2008
Total Budget	$8,912,836
Funding	VCCS General funds
Actual Costs (As of 3/31/07)	$ 3,369,621
Outside Contractor(s)	Software Vendor: Peoplesoft Implementation Services Provider: BearingPoint IV&V Contractor: Collaborating with VSU on IV&V services
Additional Information	All VCCS colleges are supportive of this implementation and have been participating in this project.
Prior APA Report and Issue Date	*Reports are available by searching under the agency name at www.apa.virginia.gov*

Comprehensive List of Systems Development Projects Currently Under Review

<u>Integrated Forest Resource Information System – Forest Protection and Mobile Computing</u>

The Department of Forestry (DOF) cannot efficiently enforce the Water Quality Law, report forest fire incidents, or track forest health observations because of poor internal workflows and technology limitations. To address this DOF is undertaking the Forest Protection and Mobile Computing (FPMC) Project. This is the second phase of development for their enterprise "Integrated Forest Resource Information System" (IFRIS).

The primary focus of the FPMC Project is to develop a mobile application to enhance and complement the web-based functions of DOF's IFRIS application. A significant portion of the project budget (over 40 percent) is for the procurement of GPS-enabled PDAs that will serve as the vehicle for digital field data collection.

The FPMC Project kicked off in September 2006 and work efforts initially centered on the development of the pilot (or evolutionary prototype) application. This allowed the project team to solve technical challenges early on in the project before confronting the more complex workflow and data relationships of the remaining components. The pilot phase is complete and formal requirements and designs are in process for the rest of the system. Several issues have delayed or will delay the project schedule; although, a formal change request for schedule changes is currently under development. Pending approval, the baseline will move the project closeout to June 2008.

Sponsoring Agency Information	Secretary of Agriculture and Forestry: Robert S. Bloxom
	Department of Forestry
	   Project Sponsor: John Scrivani - Director of Resource Information
	   Project Manager: Mindia Brown - Information Systems Manager

Current Phase of Development	Execution
Project Timeline	Plan is approved – Move to Execution Phase August 2006 Pilot System Complete January 2007 Full System User Acceptance Testing Complete November 2007 System Deployed Feb 2008 Project Closed Out Feb 2008
Total Budget	$1,204,540
Funding	49% General Funds 1% Non-general funds 4% Special revenue 46% Federal funds
Actual Costs (As of 3/31/07)	$634,300
Outside Contractor(s)	Specialized Application Development Services: Timmons Group IV&V: CGI-AMS (using North Highlands)
Additional Information	Mindia Brown resigned from DOF as project manager. This had significant impacts on internal resource availability. Mindia is now working on contract with DOF to continue acting as project manager for the project.
Prior APA Report and Issue Date	No reports issued to date.

Commonwealth of Virginia

Walter J. Kucharski, Auditor

Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218

May 22, 2007

The Honorable Timothy M. Kaine
Governor of Virginia
State Capital
Richmond, Virginia

The Honorable Thomas K. Norment, Jr.
Chairman, Joint Legislative Audit
　and Review Commission
General Assembly Building
Richmond, Virginia

　　We are currently conducting audits of the systems development process for several major information technology projects and submit our report entitled, **"Progress Report on Selected System Development Projects in the Commonwealth"** for your review. We conduct each systems development audit in accordance with the standards for performance audits set forth in <u>Government Auditing Standards</u>, issued by the Comptroller General of the United States.

AUDIT CONCLUSION

　　We found that for the major information technology projects included in this progress report, the project managers comply with the Commonwealth's Project Management Standard, as issued by the Virginia Information Technologies Agency. However, the following projects have additional information provided to give an update on their status.

- Virginia Enterprise Application Project (VEAP)
  Office of the Governor

- Oracle E-Business Suite
  Virginia State Police

- Virginia Election and Registration
  Information System (VERIS)
  State Board of Elections

- Project New Horizons
  Virginia State University

EXIT CONFERENCE

　　This progress report does not include audit recommendations for any of the projects we are currently following, but instead describes project history, activities, and status. We verified the accuracy of this information with all of the agencies; however, since there were no audit recommendations, we did not conduct an exit conference or receive an agency response.

AUDITOR OF PUBLIC ACCOUNTS

KKH/whb