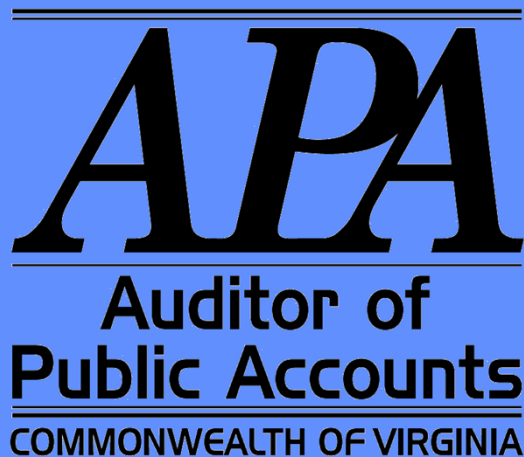


**PROGRESS REPORT ON SELECTED  
SYSTEMS DEVELOPMENT PROJECTS  
IN THE  
COMMONWEALTH**

**MARCH 2011**



## **REPORT SUMMARY**

This report reflects our on-going review of \$381 million in Commonwealth systems development projects. The following systems development projects have risks that could change the project's scope, delay the implementation schedule, and/or increase the project's cost.

- Performance Budgeting; Planning and Budget's aggressive implementation schedule has delayed some original functionality to later phases.
- Financial Management System and the Unemployment Insurance Modernization Project; the Employment Commission may not have reliable long-term financial resources for these projects.
- Modernization; the Retirement System has rescheduled the implementation dates for the project.
- Integrated Financial Management System; Rehabilitative Services has terminated the project.
- EAGLES; Professional and Occupational Regulation re-scheduled the project and its budget.

Our review goal is to detect problems at the earliest possible point and alert decision makers to this information, thereby reducing potential project failures. In this report, we highlight the progress of selected projects we are actively monitoring as well as any recommendations that pertain to improving their project management practices.

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## HIGHLIGHTS OF SELECTED SYSTEMS DEVELOPMENT PROJECTS

Performance Budgeting  
Department of Planning and Budget  
and  
Virginia Information Technologies Agency (VITA)

### Background

The Performance Budgeting project focuses on replacing legacy budgeting systems, PROBUD and FATS, and other ancillary databases, spreadsheets, and documents currently supporting the Commonwealth's strategic planning and budgeting processes. The Commonwealth contracted with Project Performance Corporation (PPC) to develop the new budgeting system using Beacon Software Innovations' BIDS software. Aggressive timelines and several post project governance issues present risk to the project and to the system as discussed below.

Funding for this \$11.4 million project comes from a working capital advance administered by VITA. The Appropriations Act directs the repayments of the advance from enhanced collections, cost recoveries, inter-agency collaborative projects and other initiatives. However, to date there have been no repayments and it is uncertain whether any revenues from these sources will be realized to fund the repayment.

Phase I of the project addressed four functional areas - budget development, both operating and capital; six-year financial planning; and budget execution. Phase II, which entered the planning phase in late October 2010, addresses agency spending plans and strategic planning functional areas. The agency spending plans will complement agency budget execution activities and allow agencies to build their budget based on the level of detail in which they actually operate.

### Short-term Risks

Planning and Budget implemented Phase I in September 2010, however due to the aggressive schedule for Phase I, Planning and Budget excluded certain aspects of the originally planned functionality to meet the implementation date. The project team implemented three additional releases prior to 2011 to address the missing functionality with two additional releases planned for early February and April of 2011.

The project team completed a project schedule and initiated Phase II design activities in December 2010. Planning and Budget's current plan calls for the implementation of Phase II functionality in April 2011, which is an aggressive timeline, but is also required by the contract with PPC. Once Planning and Budget implements Phase II, the project will enter a product warranty phase whereby PPC will be required to address any issues with in-scope functionality and will continue to train Commonwealth resources on the system's administration. Once the warranty period ends in January 2012, PPC's responsibilities will end, Planning and Budget will close out the project, and responsibility for system administration will transition to the Commonwealth.

The full value of Phase II functionality will not occur until the Commonwealth also begins using its new accounting system, Cardinal, scheduled to go live after July 2012. Once both Phase II agency spending plans and Cardinal are live, agencies can monitor budget and actual spending activity at various levels. The strategic planning module, which is also part of Phase II, will support strategic planning and performance monitoring activities required by Planning and Budget and reported on by Virginia Performs.

The project team has developed a significant list of proposed change orders over the course of the project. The project team is currently assessing the validity of the proposed change orders, prioritizing their need, and determining what actions might need to occur to realize their execution. Due to the nature of the contract with PPC, the project team will need to make decisions regarding these change orders within the next few months to ensure that the necessary resources remain available to support their implementation. These change orders may result in the extension of Phase II and the introduction of a Phase III to ensure that PPC addresses the Commonwealth identified priorities.

### Long-term Risks

As of this report date, the Commonwealth has not fully resolved many of the maintenance and ongoing operational needs that must occur after project close out. First, Planning and Budget and VITA are currently in negotiations regarding who will be responsible for system administration activities once the warranty phase ends. Additionally, the Commonwealth has not formalized a governance structure to support change management of the application. The system cannot move forward without these structures and responsibilities defined and assigned.

Further, the Commonwealth has not finalized the funding methodology to support system maintenance and operation costs. While the Governor's budget submitted in December 2010 proposes a new internal service fund, which the Department of Accounts will manage to capture fees to support enterprise system administration, the methodology for assessing those fees is pending. The Governor's budget language offers multiple options for how the Commonwealth might assess these fees including using licenses, transactions, or another meaningful identifier, as determined by the Secretary of Finance and the owner of the enterprise application. Once the Secretary and enterprise application owner select an option, agencies may need to reassess their use of the system or request additional appropriations to ensure they have the funds available to cover the fees.

## Financial Management System and Unemployment Insurance Modernization Project (UI Mod) Virginia Employment Commission

### Background

The Virginia Employment Commission (Employment Commission) is working on two system development projects to replace multiple outdated systems. The Employment Commission refers to these projects as the Financial Management System Project and the Unemployment Insurance Modernization Project (UI Mod).

### Risks

The projects face two risks, funding and hosting, that could affect the scope and success of each project. Regarding funding, both project plans include partial funding from penalties and interest collected by the Employment Commission; specifically, the Financial Management System includes \$1.5 million and the UI Mod includes approximately \$9 million from the Employment Commission's penalties and interest fund. However, at this time it is uncertain whether the Employment Commission will be able to use the penalties and interest for this purpose.

Chapter 874 of the 2010 Virginia Acts of Assembly, requires the Employment Commission to use the penalties and interest funds to repay federal loan interest before committing the funds to other purposes.

However, the Governor's 2011-2012 budget submission in December 2010 includes general fund appropriations to substantially cover the interest due on federal loans, thereby making the penalties and interest funds available for use on these systems development projects. The 2011 General Assembly will conclude in late-February and we will know at that time if the General Assembly will agree to the Governor's proposal.

Regarding hosting, the Employment Commission and VITA have just recently agreed that VITA will host the production environment for both the UI Mod and the Financial Management System. How this hosting arrangement impacts the projects budgets is uncertain because the Employment Commission did not factor the additional VITA costs into the current budgets.

## Modernization Program Virginia Retirement System

### Background

The Virginia Retirement System (Retirement System) is replacing their existing mainframe-based software systems with a web-based platform, changing the way employers and members interact with the Retirement System. Early in calendar year 2010, the Retirement System began recognizing schedule slippage and vendor project management issues. In February 2010, the Retirement System worked with their vendor, SAGITEC, to develop more rigorous project monitoring tools to highlight which aspects of the project were leading to the slippage. However, over the summer the Retirement System determined that the project management skills of the vendor were not as robust as desired and requested the vendor add project management resources. In August, SAGITEC brought on a new project manager to work with the Retirement System's project manager in assessing the health of the project and introduce further rigor into the project management activities.

### Risks

In November 2010, the project management team determined that a critical milestone scheduled for February 2011 was no longer achievable which would cause the Phase III November 2011 go-live to be missed and would impact Phase IV dates. The project management team developed two possible solutions for addressing the schedule slippage and presented them to the Retirement System's management in December 2010.

One solution called for a radical shift in the project approach, providing for a single implementation in December 2013. This solution would provide the shortest implementation timeline, but would be a more complex implementation, requiring parallel develop efforts of Phase III and Phase IV and impacting all stakeholders (retirement system staff, employers, members and retirees) at one time. Further, the Retirement System would realize limited benefits from the money they spent until the December 2013 implementation.

The other solution continued with the original two-phase implementation, but moved the Phase III go-live from November 2011 to March 2012 and the Phase IV go-live from March 2013 to August 2014. This solution would allow the Retirement System to realize tangible products and benefits from the new system earlier. It would also impact stakeholders at different times making the changes more manageable. However, this solution requires resources for a longer duration and increases the likelihood for additional risks in the project, as the result of such items as personnel turnover.

Management elected to move forward with the second solution, which more closely mirrors the original implementation approach, but extends the project end date significantly. The project management team is adjusting project documentation accordingly, and will be presenting the re-baselined project schedule and project resourcing plans in February 2011. During this same period, the project team will reach out to their stakeholder community to communicate the impact of the selected solution.

Integrated Fiscal Management System (IFM)  
Department of Rehabilitative Services

Project Termination

Rehabilitative Services contracted with Mitchell Humphrey in 2007 to replace their legacy system with FMS II, which is a system also in use at the Departments of Behavioral Health and Developmental Services, Veterans Services, and Emergency Management. In July 2010 Rehabilitative Services determined that Mitchell Humphrey would not be able to deliver the desired functionality and terminated the contract.

Since 2007 Rehabilitative Services spent \$944,836 on the project, paying Mitchell Humphrey \$531,250 for the services they rendered prior to the contract termination. The remaining project costs consisted of internal staff labor, Independent Verification and Validation reviews, and hardware purchases. Rehabilitative Services believes they will realize some benefit from the business process re-engineering activities performed during the project; however, we believe the majority of the \$944,836 spent is predominantly sunk costs.

Multiple factors led to the project's struggles and ultimate termination, most significant of which was the initial decision to use Mitchell Humphrey without consideration of agency needs and software capabilities. When Rehabilitative Services requested a new system, Virginia's Chief Applications Officer (CAO) required them to use an existing Mitchell Humphrey licensing agreement rather than seek alternative software options. At that time, Virginia was actively negotiating with several vendors to provide a new enterprise accounting system and therefore the CAO limited purchases to only existing agreements. By using the existing licensing agreement, Rehabilitative Services had to work within the capabilities of the Mitchell Humphrey software.

With the termination, Rehabilitative Services has decided to address their immediate accounting needs by building data exchanges between existing internal systems and the Commonwealth's accounting system at an estimated cost of \$753,950. Rehabilitative Services will have to revisit these data exchanges once the Commonwealth goes live with their new accounting system, Cardinal, after July 2012.

Electronic Access to Government Licensing and Enforcement System (EAGLES)  
Department of Professional and Occupational Regulation

Background

The Department of Professional Occupation and Regulation (DPOR) is implementing a licensing and enforcement system called EAGLES. This system will expand public access through online licensing and permitting services, while also eliminating the maintenance costs associated with their current system. DPOR's current licensing and enforcement system uses a programming language no longer supported by the vendor.

The EAGLES' project execution began in October 2007 and by November 2009 the project had undergone a re-base-lining due to project delays resulting from several issues.

- Unrealistic timeline based on the number of resources assigned to the project
- Underestimation of time it would take to complete project tasks
- Incomplete project plan and no baseline project schedule
- Weak project manager
- Lack of strong executive support

We met with DPOR and VITA's PMD to discuss these issues, culminating in the project's suspension and then re-base-lining to its current schedule and budget. We believe had VITA's PMD performed a more thorough and effective review of the timeline, project plan, leadership, and budget before granting initial project development approval, issues with the original baseline and budget, would have been identified and corrected sooner.

### Risks

The re-baseline extended the project until February 2014 and increased its cost by about \$5.3 million, bringing the total project cost to just over \$8.3 million. To date DPOR has successfully implemented Phase 1 with Phase 2 set to go-live in July 2011 and Phase 3 in August 2013.

In October 2010, DPOR engaged in contract negotiations with its vendor, Irondata, to reduce the timeline of the project and provide additional license types mandated by the Virginia General Assembly. Irondata will receive approximately \$100,000 for the additional resources and the DPOR project team created a revised project schedule that incorporates the resources for the revised timeline. DPOR's Internal Agency Oversight Committee reviewed and approved this process. The APA will continue to monitor this project closely throughout its implementation.



## OVERVIEW

### Objectives and Scope

The APA audits a number of systems development projects across the Commonwealth, and Appendix A has our on-going summary of these projects. The objectives of our audits are to determine that:

- the project manager complies with the Commonwealth's Project Management Standards, as issued by the Virginia Information Technologies Agency (VITA); or, if the agencies is exempt from VITA, that the project manager complies with project management best practices, and
- the project remains on time, within budget, and on scope.

### Methodology

We continuously monitor various resources when identifying potential systems development projects, including Legislative meetings, the Appropriation Act and Budget Bill, agency management and systems professionals, VITA's Project Management Division and other sources. Once we identify a potential systems development project, we maintain a record of that system as it progresses through its development lifecycle.

The volume of ongoing projects at any one time dictates that we identify and follow only those that represent the most risk to the Commonwealth. To assess risk, we accumulate and use information pertaining to the system under development to calculate a risk score. Several times a year, we re-evaluate both new and current projects to determine if any significant changes in risk level took place. When a project risk is higher than previously shown, then the project undergoes a detailed review.

Our reviews generally include examining documents such as the project charter, project planning documents, and risk mitigation strategies. We regularly attend project meetings to note any issues affecting the project and meet with project managers to offer suggestions and recommendations based on our experience monitoring system 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 as well as costs. 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. Earlier releases of this report contain a detailed explanation of our review process, which we have not included with this report.

Effective July 1, 2009, the Code of Virginia 2.2-1509.3 began requiring the Budget Bill to include appropriations for major information technology projects. As part of our regular review process we reconcile projects in the Budget Bill to information we have collected regarding current and anticipated projects. If we identify discrepancies, such as projects not in the Budget Bill but on our list of anticipated projects, we inquire with VITA and the proponent agency to identify why the discrepancy exists. If we cannot resolve the discrepancy and believe the project should be in the Budget Bill, we bring the matter to Senate Finance and House Appropriations staff during the legislative session.

## Results

Our reconciliation of known systems development projects to those included in the Budget Bill on December 20, 2010 identified one difference involving an Executive Support System at the Department of Medical Assistance Services. The system was inadvertently overlooked when Planning and Budget entered project data for the Governor's budget. We discussed this discrepancy with VITA and they intend to work with Planning and Budget to add the system via a budget amendment.

During the year, we report the results of our project reviews in different ways, depending on the circumstances. Often we include project background and status information within the annual audit report of the agency. However, if there is a legislative request that we review a system, we will prepare a written report specifically addressing that request. Finally, if we identify serious project management concerns, which the agency has not resolved in a timely manner, we immediately prepare a report detailing the concerns and any recommended corrective action(s).

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

- Performance Budgeting  
*Department of Planning and Budget*
- Financial Management System and
- Unemployment Insurance Modernization Project  
*Virginia Employment Commission*
- Modernization Program  
*Virginia Retirement System*
- Integrated Financial Management System  
*Department of Rehabilitative Services*
- Electronic Access to Government Licensing and Enforcement System  
*Department of Professional and Occupational Regulation (DPOR)*

Appendix A contains a background and history of all the projects we are currently following; therefore, we do not repeat the background and history of the projects highlighted below. Instead, we focus only on our observations, recommendations, and audit response strategies relative to these projects.

All agencies with a project included in this report have verified the accuracy of information included in this report. However, since there were no new findings presented in this report, we did not conduct a formal exit conference or receive an agency response. The reader can find previously released reports by searching a specific agency name on the Auditor of Public Accounts' website at [www.apa.virginia.gov](http://www.apa.virginia.gov).

### Comprehensive List of Systems Development Projects Currently Under Review

The systems development projects listed below are those projects we are actively monitoring. While this list is not inclusive of all current projects across the Commonwealth, it does represent those projects that we consider of the highest importance due to risk, budget, and/or impact of the system. We discuss emerging project issues within a project's grid and summary below, or within the section above titled, "Highlights of Selected Systems Development Projects."

<u>Agency</u>	<u>System Name</u>	<u>System Budget</u>	<u>Page</u>
Community Colleges	Human Resources Management System (HRMS)	11,056,098	9
Employment Commission	Financial Management System	4,446,266	10
Employment Commission	Unemployment Insurance Modernization Project	58,541,155	11
Motor Vehicles	Customer-centric, Service-Oriented, State-of-the-Art, Secure, and Intelligent (CSI)	69,954,521	12
Planning and Budget	Performance Budgeting	11,400,000	13
Professional and Occupational Regulation	Electronic Access to the Government Licensing and Enforcement System (EAGLES)	8,308,645	14
Retirement System	Modernization Program	46,000,000	15
Social Services	Automated Child Care Subsidy System	20,364,802	16
Supreme Court	Court Case Management System	17,500,000	17
Supreme Court	Court Financial Management System	3,500,000	18
Transportation	Cardinal Project	58,337,353	19
University of Virginia Medical Center	EpicCare	<u>71,087,503</u>	20
Total Budget		<u>\$380,496,343</u>	

We have not repeated all projects reported in our March 2010 progress report on the following pages because some of the projects may have ended or been reprioritized as a lower risk. The reader can find historical information on these and other projects in our previous Interim Progress Reports available at [www.apa.virginia.gov](http://www.apa.virginia.gov).

## Human Resource Management System (HRMS)

The Virginia Community College System (VCCS) is implementing a Human Resource Management System (HRMS) supported by Oracle/PeopleSoft. The new HRMS system will improve core business workflows and major business processes by enhancing the interoperability between VCCS and external Commonwealth of Virginia applications (e.g. CIPPS, BES, and PMIS).

VCCS and Deloitte Consulting LLP are implementation partners for the HRMS project. The project team has finalized the system design and is currently working on the system build. In addition, the project team is working on testing of conversions, enhancements, and interfaces, and development of training materials. They plan to go-live at all 23 community colleges across the Commonwealth in March 2011.

<b>Sponsoring Agency Information</b>	Secretary of Education .....Dr. Gerard Robinson Project Sponsor .....Donna VanCleave, Vice Chancellor Project Director .....Dr. Christopher Lee Project Manager.....Jeff Mitchell	
<b>Current Phase of Development</b>	Implementation	
<b>Project Timeline</b>	<input type="checkbox"/> Begin HRMS Implementation Project ..... May 2009 <input type="checkbox"/> Obtain Project Development Approval..... August 2009 <input type="checkbox"/> Award Service Contract..... September 2009 <input type="checkbox"/> Plan and Design Complete..... October 2010 <input type="checkbox"/> Build and Unit Test Complete ..... January 2011 <input type="checkbox"/> System and Integration Test Complete ..... January 2011 <input type="checkbox"/> User Acceptance Testing/Training ..... February 2011 <input type="checkbox"/> Training Complete ..... March 2011 <input type="checkbox"/> Go-Live Complete ..... March 2011 <input type="checkbox"/> Post Implementation Support Complete ..... April 2011 <input type="checkbox"/> Project Closeout Complete ..... July 2011	
<b>Total Budget</b>	\$11,056,098	
<b>Funding</b>	100 percent General Funds	
<b>Actual Costs (As of 11/30/10)</b>	\$5,730,986	
<b>Outside Contractor(s)</b>	Implementation Services Provider: Deloitte Consulting LLP IV&V Provider: Rodney Fowlkes, CIO, Alcorn State University	
<b>Additional Information</b>	The HRMS website provides non-sensitive project documents for viewing: <a href="http://info.vccs.edu/HR/main.htm">http://info.vccs.edu/HR/main.htm</a>	
<b>Prior APA Report and Issue Date</b>	No reports issued to date.	

## Financial Management System

The Virginia Employment Commission (Employment Commission) plans to implement a modern, integrated, financial management system to replace their 40 year old, mainframe batch system. The Employment Commission will procure an off-the-shelf solution and configure the solution to meet the requirements of both the Commonwealth and the United States Department of Labor. Implementation will include adjusting the Employment Commission's internal business processes to meet the abilities of the solution.

The Employment Commission relies heavily on the current mainframe system to support both administrative and complex unemployment insurance financial activities. In addition to implementing a new financial management system, the Employment Commission is developing the Unemployment Insurance Modernization Project (UI Mod), which will completely replace the Employment Commission's UI service delivery applications. The Financial Management System will interface with the UI Mod system, thus increasing the criticality and the time sensitivity of the Financial Management System implementation. Significant resources would be required to interface the existing mainframe system with the UI Mod Project in order to meet the minimum requirements of the UI Mod Project, therefore increasing the criticality of the Financial Management System.

The Employment Commission completed the request for proposal process, identified the top vendor for the project, and submitted the project to VITA for development approval in the summer of 2010 and hopes to receive final VITA approval in the near future. Once approval is granted, the Employment Commission will sign a formal contract with the vendor. The Employment Commission anticipates the project duration to be approximately 18 months after development begins.

<b>Sponsoring Agency Information</b>	Secretary of Commerce and Trade ..... Jim Cheng Project Sponsor..... Eddie Sparkman, Controller, VEC Project Manager ..... Kim Lee, IT Project Manager, VEC		
<b>Current Phase of Development</b>	Initiation		
<b>Project Timeline</b>	<input type="checkbox"/> Project Initiation ..... <input type="checkbox"/> Project Execution..... <input type="checkbox"/> Project Closeout.....	October 2009 On Hold TBD	
<b>Total Budget</b>	\$4,446,266		
<b>Funding</b>	100 percent Federal Funds		
<b>Actual Costs (As of 11/30/10)</b>	\$0		
<b>Outside Contractor(s)</b>	N/A		
<b>Additional Information</b>	The section above, entitled "Highlights of Selected Systems Development Projects," contains additional information on this project.		
<b>Prior APA Report and Issue Date</b>	Virginia Employment Commission Report on Audit, For the Year Ending June 30, 2010 <a href="http://www.apa.virginia.gov/reports.cfm">http://www.apa.virginia.gov/reports.cfm</a>		

Unemployment Insurance Modernization Project (UI Mod)

The Virginia Employment Commission (Employment Commission) is developing an unemployment insurance (UI) system called the Unemployment Insurance Modernization Project (UI Mod). UI Mod will support the UI program, which has three major components: payment of UI benefits to unemployed workers, collection of UI taxes from employers, and accumulation of wage data for all citizens in the Commonwealth. The current systems supporting the UI program are 20 to 30 years old, which imposes risks and limitations to the Employment Commission and their ability to administer the UI program adequately.

UI Mod will reengineer the Employment Commission's business processes in order to provide expanded customer services, increased efficiency for Employment Commission staff, allow for a more timely responsiveness to legislative changes, ability to meet all United States Department of Labor (DOL) reporting requirements, and improved system stability and reliability. The Commonwealth approved an allocation of \$45 million from the UI Trust Fund under provisions of the Reed Act to fund UI Mod. The Employment Commission plans to use penalty and interest funding for the remaining project costs.

<b>Sponsoring Agency Information</b>	Secretary of Commerce and Trade ..... Jim Cheng Project Sponsor..... Shelby Robinson, Assistant Commissioner for Field Operations, VEC Project Manager ..... David Portner, VEC	
<b>Current Phase of Development</b>	Detailed Planning	
<b>Project Timeline</b>	<input type="checkbox"/> Information Technology Investment Board Approval ..... <input type="checkbox"/> Vendor Selection and Contract Negotiation ..... <input type="checkbox"/> Project Plan Complete ..... <input type="checkbox"/> Project Execution Begins..... <input type="checkbox"/> UI Imaging and Workflow System Complete ..... <input type="checkbox"/> UI Tax System Complete..... <input type="checkbox"/> UI Benefit System Complete ..... <input type="checkbox"/> System Integration and Deployment..... <input type="checkbox"/> Project Execution Completed ..... <input type="checkbox"/> Project Closeout.....	September 2009 January 2010 August 2010 November 2010 December 2011 December 2012 April 2013 April 2013 June 2013 November 2013
<b>Total Budget</b>	\$58,541,155	
<b>Funding</b>	85 percent Federal Funds and 15 percent Special Revenue Funds	
<b>Actual Costs (As of 11/30/10)</b>	\$6,585,606	
<b>Outside Contractor(s)</b>	HCL America Inc, Prime Development Vendor Noblis, DOL's Information Technology Service Center, Business Consulting Services Impact Makers Inc, IV&V	
<b>Additional Information</b>	The section above, entitled "Highlights of Selected Systems Development Projects," contains additional information on this project.	
<b>Prior APA Report and Issue Date</b>	Virginia Employment Commission Report on Audit, For the Year Ending June 30, 2010 <a href="http://www.apa.virginia.gov/reports.cfm">http://www.apa.virginia.gov/reports.cfm</a>	

## Customer-centric, Service-Oriented, State-of-the-Art, Secure, and Intelligent (CSI)

The Department of Motor Vehicles (Motor Vehicles) terminated their contract with the original vendor selected to perform the detailed design, development, and implementation activities for the Customer-centric, Service-Oriented, State-of-the-Art, Secure, and Intelligent project (CSI) in October 2009 and began restructuring their project approach. Motor Vehicles spent the early part of calendar 2010, redefining the conceptual architecture for the project, and refining the system requirements to be included in a new Request for Proposal (RFP) for a development and implementation partner. In February 2010, Motor Vehicles released a new RFP and ultimately selected Accenture to provide the requested development and implementation services.

Motor Vehicles signed a \$36 million contract with Accenture on November 15, 2010, and started the detailed design phase of the project. Motor Vehicles estimates that the cost for the entire project, including internal costs, at just over \$69 million. They anticipate rolling the system out in three stages, with the final rollout done by July 2013.

<b>Sponsoring Agency Information</b>	Secretary of Transportation ..... Sean Connaughton Project Sponsor..... Dave Burhop, CIO DMV Program Manager ..... Tully Welborn, Program Manager, DMV	
<b>Current Phase of Development</b>	Development	
<b>Project Timeline</b>	<input type="checkbox"/> Initial Business Process Analysis Completion ..... December 2005 <input type="checkbox"/> Phase 1 Completed ..... February 2007 <input type="checkbox"/> Phase 2 Completed ..... February 2009 <input type="checkbox"/> Phase 3 Completed Conceptual Design Activities Completed ..... December 2009 Validation Activities (Gartner) Completed ..... January 2010 Begin Procurement Process (Release RFP) ..... February 2010 Procurement/Contracting Process Completed ..... November 2010 <input type="checkbox"/> Phase 4 Development and Implementation Milestones Project Initiation Completed ..... December 2010 System Design Complete ..... March 2011 Stage 1: Credentialing (Business Licenses) Completed..... March 2012 Stage 2: Credentialing (Individual Licenses, IDs, Permits) ..... March 2013 Stage 3: Credentialing (Titles and Registration) Complete ..... July 2013 Project Closeout ..... September 2013	
<b>Total Budget</b>	\$69,954,521	
<b>Funding</b>	100 percent Non General Funds	
<b>Actual Costs (As of 11/30/10)</b>	\$13,487,423	
<b>Outside Contractor(s)</b>	CGI-AMS: Business Process Analysis, Business Impact Analysis, and Risk Assessment CACI: Phase 1 and Phase 2 NG (Iconix): Phase 2 – Mentoring and Business Process Modeling CGI (CapTech): Phase 2 – Data Quality Strategic Planning Gartner: Phase 3 – Conceptual Design, Validation, and Solution Procurement Accenture: Phase 4 – Development and Implementation	
<b>Additional Information</b>	Motor Vehicles spent an additional \$1,670,700 for the Initial Business Process and Impact Analysis required prior to beginning phase 1 of CSI.	
<b>Prior APA Report and Issue Date</b>	Agencies of the Secretary of Transportation Report on audit for the year ended June 30, 2009 <a href="http://www.apa.virginia.gov/reports.cfm">www.apa.virginia.gov/reports.cfm</a>	

## Performance Budgeting

Jointly sponsored by the Department of Planning and Budget (Planning and Budget) and VITA, this project focuses on replacing the legacy budgeting systems, PROBUD and FATS, and other ancillary electronic tools currently supporting strategic planning and budgeting processes. The Commonwealth contracted with Project Performance Corporation (PPC) to develop the new Performance Budgeting system using BIDS Software Pty. Ltd. BIDS software.

Planning and Budget implemented Phase I of the project in September 2010. Due to time constraints, Planning and Budget scaled the planned functionality back to have this phase completed in time for the 2010 budget development. Subsequent releases of the software have addressed some of the outstanding Phase I functionality. Planning and Budget anticipates addressing the remaining functionality with a 1.4 and 1.5 version scheduled for release in February and April 2011 respectively.

Planning and Budget kicked off Phase II planning in late October 2010. They developed a project schedule and resource plan and initiated Phase II design activities. Planning and Budget plans to implement the Phase II functionality in April 2011 and then will enter a project warranty phase with PPC. Planning and Budget has not fully resolved many of the maintenance and ongoing operational issues once the warranty phase ends, including system administration and funding. The aggressive timeline for Phase II, as well as the lack of resolution for these post project governance issues, present significant risk to the project.

<b>Sponsoring Agency Information</b>	Secretary of Finance ..... Richard D. Brown Project Sponsor ..... Dan Timberlake, Director, DPB Functional Manager ..... Mitch Rosenfeld, DPB Project Manager ..... Jo Jo Martin, VITA Enterprise Application Division
<b>Current Phase of Development</b>	Execution and Control
<b>Project Timeline</b>	<div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Planning.....  <input type="checkbox"/> Phase I, Design .....  <input type="checkbox"/> Phase I, Development.....  <input type="checkbox"/> Phase I, Go-Live.....  <input type="checkbox"/> Phase II, Planning.....  <input type="checkbox"/> Phase II, Development.....  <input type="checkbox"/> Phase II, User Acceptance Testing .....  <input type="checkbox"/> Phase II, Go-Live .....  <input type="checkbox"/> Project Closeout .....  <input type="checkbox"/> Project Warranty Period Ends .....         </div> <div>           September 2009            November 2009            May 2010            September 2010            October 2010            January 2011            March 2011            April 2011            August 2011            January 2012         </div> </div>
<b>Total Budget</b>	\$11,400,000
<b>Funding</b>	VITA Working Capital Advance (Line of Credit). No repayment has occurred to date.
<b>Actual Costs (As of 11/30/10)</b>	\$6,950,474
<b>Outside Contractor(s)</b>	Primary Contractor ..... Project Performance Corporation Sub-Contractors ..... BIDS Software Pty. Ltd. (software) CapTech Ventures (human resources) IV&V Contractor ..... The North Highland Company
<b>Additional Information</b>	The Appropriations Act directs the repayments of the working capital advance to be made from enhanced collections, cost recoveries, inter-agency collaborative projects and other initiatives.  The section above, entitled “Highlights of Selected Systems Development Projects,” contains additional information on this project.
<b>Prior APA Report and Issue Date</b>	No reports issued to date.



## Electronic Access to Government Licensing and Enforcement System (EAGLES)

The Department of Professional Occupation and Regulation (DPOR) is implementing a licensing and enforcement system called EAGLES that will expand public access through online licensing and permitting services. EAGLES is a commercially available product provided by Irondata. Irondata has implemented licensing software in several states and DPOR staff are working collaboratively with Irondata resources to implement this system for Virginia. The vendor no longer supports DPOR's current licensing and enforcement system and EAGLES will eliminate the maintenance costs associated with the current system.

In October 2010, DPOR held contract negotiations with Irondata to reduce the timeline of the project and provide additional license types mandated by the Virginia General Assembly. The result of the contract negotiations increased the scope of the project, reduced the timeline, and increased the cost by approximately \$100,000. The total project cost is just over \$8.4 million and DPOR will implement two more phases. Phase 2 will go live in July 2011 and Phase 3 will go-live in August 2013.

<b>Sponsoring Agency Information</b>	Secretary of Commerce & Trade ..... Jim Cheng Project Sponsor ..... Steve Arthur, DPOR Project Director ..... Gordon Dixon, DPOR Project Managers..... Jeanne Branch and Brenda Thomas, DPOR
<b>Current Phase of Development</b>	Execution and Control
<b>Project Timeline</b>	<input type="checkbox"/> Phase 1 Release ..... September 2009 <input type="checkbox"/> Phase 2 Release ..... July 2011 <input type="checkbox"/> Phase 3 Release ..... August 2013 <input type="checkbox"/> Project Closeout ..... January 2014
<b>Total Budget</b>	\$8,308,645
<b>Funding</b>	100 percent Non-General Funds
<b>Actual Costs (As of 11/30/10)</b>	\$3,807,247
<b>Outside Contractor(s)</b>	Primary Contractor: Iron Data (formally VERSA) IV&V Contractor: North Highland
<b>Additional Information</b>	DPOR had contract negotiations with Irondata to reduce the lengthy timeline and provide additional license types per the Virginia Legislature.  The section above, entitled "Highlights of Selected Systems Development Projects," contains additional information on this project.
<b>Prior APA Report and Issue Date</b>	Department of Professional Occupation Report on Audit, For the Year Ending June 30, 2009 <a href="http://www.apa.virginia.gov/reports/DPOR_08-09.pdf">http://www.apa.virginia.gov/reports/DPOR_08-09.pdf</a>

### Modernization Program

The Virginia Retirement System (Retirement System) is replacing their existing mainframe-based software systems with a web-based platform, changing the way employers and members interact with the Retirement System.

Phase III, initiated in August 2009 and currently underway, focuses on replacing those aspects of their existing software that support employer interactions. Phase IV will address member related business processes as well as any outstanding employer business processes. Based on this schedule the Retirement System anticipates closing out the project in 2013.

However, development activities within Phase III are taking longer than anticipated and the Retirement System is currently assessing the impact to the project schedule and budget. In December, Management considered two possible solutions for addressing the scheduling delays. They selected a solution which mirrors the original approach, but extends the project life significantly. The project team will be adjusting project documentation accordingly through the end of January 2011, communicating the impact of the solution to all impacted parties during this same period.

<b>Sponsoring Agency Information</b>	Virginia Retirement System: Co-Sponsors .....L. Farley Beaton, Jr., Chief Technology Officer, VRS Co-Sponsors .....Donna Blatecky, Deputy Director of Customer Relations, VRS Program Manager:.....Denise Rasmussen, Program Manager, VRS
<b>Current Phase of Development</b>	Execution and Control
<b>Project Timeline</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Sagitec Solutions, LLC Contract Signed ..... Fall 2008</li> <li><input type="checkbox"/> Phase I – Project Planning ..... January 2009</li> <li><input type="checkbox"/> Phase II – Reengineering ..... March 2009</li> <li><input type="checkbox"/> Phase III – Employer Related Business Processes <ul style="list-style-type: none"> <li>o Design..... August 2009</li> <li>o Development ..... October 2009</li> <li>o System Integration Testing ..... February 2011</li> <li>o Currently Planned User Testing and Training ..... May 2011</li> <li>o Currently Planned Go-Live ..... November 2011</li> </ul> </li> <li><input type="checkbox"/> Phase IV – Member Related Business Processes <ul style="list-style-type: none"> <li>o Anticipated Start..... March 2011</li> <li>o Anticipated Go-Live..... March 2013</li> </ul> </li> </ul>
<b>Total Budget</b>	Project: \$36.2 million
<b>Funding</b>	Agency Funds
<b>Actual Costs (As of 11/30/10)</b>	Project: \$12,065,317
<b>Outside Contractor(s)</b>	Primary Contractor: Sagitec Solutions, LLC IV&V Contractor: CACI, Inc
<b>Additional Information</b>	Total Program Budget does not include salary costs of VRS staff assigned to project.  The section above, entitled “Highlights of Selected Systems Development Projects,” contains additional information on this project.
<b>Prior APA Report and Issue Date</b>	No reports issued to date.

Automated Child Care Subsidy Payment System

The Department of Social Services (DSS) is implementing a solution to automate the Child Care subsidy program for use by state and local workers. The Automated Child Care Subsidy Payment System will be an integrated solution that reduces duplicate entries and better serves the current child care business model. The current Child Care systems are outdated and do not include the functionality required to meet the Federal mandate for error tracking and reporting of improper payments.

The Automated Child Care Subsidy Payment System is currently in the execution and control phase and has an aggressive schedule. Project execution began in January 2010 and the project is set for closeout in October 2011. DSS is using two contractors, Deloitte and ACS, to help implement the child care system and a financial management component respectively. The project is 100 percent federally funded and has a total budget of approximately \$20.4 million. The project has experienced delays in getting various project environments set up but the project is still on schedule and on budget.

<b>Sponsoring Agency Information</b>	Secretary of Health and Human Resources..... Dr. Bill Hazel Department of Social Services: Project Sponsor: ..... Dottie Wells, Director of Early Childhood Development, DSS Program Manager: ..... Kevin Platea, Division of Information Systems, DSS Business Project Director: ..... Mary Ward, Child Care Subsidy Manager, DSS Project Manager: ..... John Byrne, Division of Information Systems, DSS	
<b>Current Phase of Development</b>	Execution and Control	
<b>Project Timeline</b>	<input type="checkbox"/> Project Initiation ..... May 2009 <input type="checkbox"/> Development Approval and Contract Award..... January 2010 <input type="checkbox"/> Contract Award..... January 2010 <input type="checkbox"/> System Design ..... March 2010 <input type="checkbox"/> System Integration Testing ..... January 2011 <input type="checkbox"/> User Acceptance Testing ..... March 2011 <input type="checkbox"/> Pilot and Training ..... April 2011 <input type="checkbox"/> Software Deployment ..... May 2011 <input type="checkbox"/> Project Closeout..... October 2011	
<b>Total Budget</b>	\$20,364,802	
<b>Funding</b>	100 percent Federal Funds	
<b>Actual Costs (As of 11/30/10)</b>	\$2,630,492	
<b>Outside Contractor(s)</b>	Primary contractors – Deloitte and ACS IV&V Service Provider – The North Highland Company	
<b>Additional Information</b>	DSS is waiting on VITA to set up the test environment, it is behind schedule but the delays will not impact the overall budget and schedule at this time.	
<b>Prior APA Report and Issue Date</b>	No reports issued to date.	

Court Case Management System

The Office of the Executive Secretary of the Supreme Court of Virginia (OES) has initiated multiple projects to replace case management systems used by all levels of Virginia's courts. Currently, OES provides case management systems to 320 of Virginia's 323 courts including The Supreme Court of Virginia, The Court of Appeals of Virginia (CAV), 117 Circuit Courts (CC), 77 General District Courts (GDC), 75 Juvenile and Domestic Relations District Courts (JDR), and 49 Combined District Courts. Due to differing workflow and legislative requirements, a unique case management system (CMS) services each level of court. As of December 2010, 75 circuit courts and one JDR court have been migrated to the new case management systems.

OES has operated the current case management systems for over 20 years and has expanded and changed the systems over time, to include new functionality, address legislative changes, and user change requests. The re-engineering efforts on these systems designs will take advantage of new technologies, provide greater flexibility in the development process, and increased service to the users

<b>Sponsoring Agency Information</b>	Executive Secretary, Office of the Executive Secretary, Supreme Court of Virginia .....Karl Hade Project Sponsor .....Bob Smith Project Managers:.....Jerry Berman, Mike Riggs, Dave Savage, Brent Sizemore
<b>Current Phase of Development</b>	Appellate Court CMS for Supreme Court and Court of Appeals is in the Design Phase. Circuit Courts CMS is in the deployment phase. Juvenile and Domestic Relations District Courts is in the development phase. General District Courts CMS has not yet started.
<b>Project Timeline</b>	<p><b>Appellant Court CMS for SCV Milestones:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Workflow Analysis Complete .....June 2009</li> <li><input type="checkbox"/> Development Complete .....January 2010</li> <li><input type="checkbox"/> User Acceptance Testing .....February 2011</li> <li><input type="checkbox"/> Deploy .....April 2011</li> </ul> <p><b>CC CMS Milestones:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Initial Requirements Gathering Complete .....July 2008</li> <li><input type="checkbox"/> Development Complete .....December 2009</li> <li><input type="checkbox"/> User Acceptance Testing Complete.....December 2009</li> <li><input type="checkbox"/> Deploy to Pilot Court .....January 2010</li> <li><input type="checkbox"/> Statewide Deployment Complete .....April 2011</li> </ul> <p><b>JDR CMS Milestones:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Release 1 (Scheduling, Civil, Delinquency) to UAT .....November 2009</li> <li><input type="checkbox"/> Release 2 (Adult, Hearing Date, Name Search) to UAT .....February 2010</li> <li><input type="checkbox"/> Release 3 (Interfaces and remaining modules) to UAT .....August 2010</li> <li><input type="checkbox"/> Deploy to Pilot Court .....December 2010</li> <li><input type="checkbox"/> Statewide Deployment Complete .....November 2011</li> </ul> <p><b>Appellant Court CMS for CAV and GDC CMS:</b> .....Timeline to be determined</p>
<b>Total Budget</b>	\$17,500,000
<b>Funding</b>	Ten percent General Funds, 90 percent Court Technology Fund
<b>Actual Costs (As of 11/30/10)</b>	\$10,937,103
<b>Outside Contractor(s)</b>	Data Concepts, Imaging Technologies, Traore Corporation – Staff augmentation
<b>Additional Information</b>	None.
<b>Prior APA Report and Issue Date</b>	No reports issued to date.

Court Financial Management System

The Office of the Executive Secretary of the Supreme Court of Virginia (OES) has initiated a project to replace the financial management system used in 320 of Virginia's courts.

The current financial management system (FMS) has been operational for over 20 years. Over time, OES has expanded FMS to include new functionality, legislative changes, and user change requests. The re-engineering efforts on this system will take advantage of new technologies, provide greater flexibility in the development process, and increased service to the users.

<b>Sponsoring Agency Information</b>	Executive Secretary, Office of the Executive Secretary, Supreme Court of Virginia...Karl Hade Project Sponsor .....Bob Smith Project Managers.....Dave Winecoff
<b>Current Phase of Development</b>	Individual Account for Juvenile Domestic Relations Case Management System (CMS) Module – Execution and Control  FMS - Initiation
<b>Project Timeline</b>	<p><b>Phase I Milestones:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Individual Account for Circuit CMS Complete ..... March 2010</li> <li><input type="checkbox"/> Initial Requirement gathering for Individual Account JDR..... Aug 2010</li> <li><input type="checkbox"/> Individual Account for JDR CMS development..... Oct 2010</li> <li><input type="checkbox"/> Deploy Individual Account Module for JDR Pilot court..... Dec 2010</li> </ul> <p><b>Phase II Milestones:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Requirement gathering for Filing Fee Calculator ..... Nov 2010</li> <li><input type="checkbox"/> Requirement gathering for Receipt ..... Mar 2011</li> <li><input type="checkbox"/> Circuit Civil Receipts and Filing Fee Calculator Development..... Mar 2011</li> <li><input type="checkbox"/> Deploy Civil Receipts and Filing Fee Calculator to Pilot Court..... June 2011</li> </ul> <p><b>Phase III Milestones:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Receipt Module Development Complete ..... April 2011</li> <li><input type="checkbox"/> Individual Account for remaining modules Complete ..... June 2011</li> <li><input type="checkbox"/> Journal Vouchers Module Complete ..... Oct 2011</li> <li><input type="checkbox"/> Disbursements Module Complete ..... Nov 2011</li> </ul> <p><b>Phase IV UAT</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> User Acceptance Testing ..... Feb 2012</li> <li><input type="checkbox"/> Production ..... March 2012</li> </ul>
<b>Total Budget</b>	\$3,500,000
<b>Funding</b>	Ten percent General Funds, 90 percent Court Technology Fund
<b>Actual Costs (As of 11/30/10)</b>	\$372,982
<b>Outside Contractor(s)</b>	Data Concepts – Staff augmentation
<b>Additional Information</b>	None.
<b>Prior APA Report and Issue Date</b>	No reports issued to date.

## Cardinal Project

Cardinal represents a joint project between the offices of the Secretary of Transportation, Secretary of Finance, and the Virginia Information Technologies Agency to replace the Commonwealth's financial system (CARS) and the Virginia Department of Transportation's (VDOT) financial system with a modern enterprise wide financial system (base financial system). Cardinal will implement the base financial system in two phases. Part 1 implements VDOT's financial system on July 1, 2011, and Part 2 implements the Commonwealth's base financial system at the Department of Accounts (DOA) by July 1, 2012. A future phase of the project includes converting all other executive branch state agencies to the Cardinal financial system, at which time DOA has the opportunity to retire CARS and potentially other redundant financial systems.

The Cardinal project team is currently writing test scripts for upcoming system tests, building interfaces to other state systems, and preparing courses for the training curriculum. Cardinal Part 1 is on schedule, but the project teams believes there could be a six week go-live postponement due to a limited schedule contingency to absorb project delays. The Project Manager will seek the support of the Cardinal Steering Committee if there is a need for a postponement of implementation.

Relative to the Commonwealth's Data Standards, VDOT is working with the General Services to create an interface so Cardinal will use eVA vendor information to populate its vendor tables. VDOT is also working with the Department of Human Resource Management to interface Cardinal with the Commonwealth's human resources systems. Finally, VDOT and DOA are working to develop Chart of Account field values that they will provide to the Data Standards work group in Spring 2010. VDOT does not plan to implement the Order to Pay data standard until after the Cardinal go-live date because of concerns that implementing sooner will negatively impact the project schedule and budget.

<b>Sponsoring Agency Information</b>	Secretary of Transportation ..... Sean Connaughton Project Sponsor ..... Greg Whirley, VDOT Chief Deputy Commissioner Project Manager ..... Ned O'Neill, VDOT
<b>Current Phase of Development</b>	Execution and Construction
<b>Project Timeline</b>	Phase 1: ..... Through June 30, 2011 <input type="checkbox"/> Analysis and Design ..... May 2010 <input type="checkbox"/> Execution and Construction ..... October 2010 <input type="checkbox"/> System and User Test ..... April 2011 <input type="checkbox"/> Cutover and Go-Live ..... July 2011 Phase 2: ..... July 2011 – June 2012
<b>Total Budget</b>	\$58,337,353
<b>Funding</b>	All but \$7.3 million from special revenue funds. The \$7.3 million represents the Commonwealth's funding from the \$30 million dollar Enterprise Applications Program Working Capital Advance established in Chapter 781 of the 2009 Appropriation Act.
<b>Actual Costs (As of 11/30/10)</b>	\$27,247,798 of which \$19.5 million represents services and \$4.8 million represents software
<b>Outside Contractor(s)</b>	Implementation Service Providers: Accenture IV&V Services Provider: CACI
<b>Prior APA Report and Issue Date</b>	No reports issued to date.

## EpicCare

The University of Virginia Health System (the Medical Center) is implementing EpicCare with support from clinical system vendors. The project solution will connect the Medical Center with its affiliates and ambulatory clinics in an integrated and transferable electronic medical records processing system. The electronic medical records repository will provide doctors with timely online access to radiology images, patient allergies, prescriptions, and digital documentation of the care process.

During the 2008 calendar year, the Medical Center experienced several problems with the project vendor, GE. Throughout the project's development, GE did not deliver the contractually obligated critical software components. Specifically, the Medical Center did not receive clinical documentation, hospital pharmacy and inpatient functionality from GE. Due to the failure of vendor services, the Medical Center terminated the contract in the first quarter of 2009. The Medical Center issued a new RFI and RFP and selected Epic Systems Corporation as the replacement vendor.

The newly revised project began in March 2009. Clinicians reviewed EpicCare's Model System and updated database content as of the close of 2009. The EpicCare Ambulatory and EpicCare Beacon applications were built, tested and trained in 2010. Inpatient and Emergency Department modules were built and tested in 2010. EpicCare Ambulatory went live in all 146 clinics on September 28, 2010. The new EpicCare Beacon module went live in the Cancer Center on December 1, 2010 for the adult outpatient population. The EpicCare Electronic Medical Record project is currently on schedule and within budget.

<b>Sponsoring Agency Information</b>	University of Virginia Medical Center Project Sponsor.....Marshall Ruffin, MD, MPH, MBA, CPE, FACPE, Chief Technology Health Info Officer Project Manager.....Wendi Clure, PMP
<b>Current Phase of Development</b>	Execution and Control phase for Replacement Inpatient and ED EMR EpicCare Ambulatory and EpicCare Beacon are live in production
<b>Project Timeline</b>	<input type="checkbox"/> Contract signed and Board Of Visitors approved .....May 1999 <input type="checkbox"/> Interim Clinical Results Archive System implemented .....August 2001 <input type="checkbox"/> Re-sequencing of IDX phases and amended agreement .....July 2002 <input type="checkbox"/> Multi-year data conversion and result repository .....November 2004 <input type="checkbox"/> Pilot ambulatory clinic conversions .....July 2005 <input type="checkbox"/> PICIS (critical care) first unit implementation .....March 2007 <input type="checkbox"/> Clinical Staff Retreat/EpicCare Project Kickoff .....March 2009 <input type="checkbox"/> Implementation of Replacement Ambulatory EMR .....September 2010 <input type="checkbox"/> Implementation of new Oncology EMR .....December 2010 <input type="checkbox"/> Implementation of Replacement Inpatient and ED EMR .....March 2011
<b>Total Budget</b>	\$71,087,503
<b>Funding</b>	100 percent internal funded through the Medical Center revenues
<b>Actual Costs (As of 11/30/10)</b>	\$45,063,423
<b>Outside Contractor(s)</b>	Primary Contractor: Epic Systems Corporation IV&V Contractor: UVA Internal Audit, NorthShore University and Gartner
<b>Additional Information</b>	Wendi Clure, PMP, is the new project manager.
<b>Prior APA Report and Issue Date</b>	No reports issued to date.



# Commonwealth of Virginia

**Walter J. Kucharski, Auditor**

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

January 20, 2011

The Honorable Robert F. McDonnell  
Governor of Virginia

The Honorable Charles J. Colgan  
Chairman, Joint Legislative Audit  
And Review Commission

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 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 or with project management best practices where exempt from the Commonwealth standard. In Appendix A, we have provided a summary of each of the projects we are currently following. Further, we include additional information on the projects at the Virginia Retirement System, the Virginia Employment Commission, and the Departments of Professional and Occupational Regulation, Planning and Budget, and Rehabilitative Services to highlight unique aspects of their status.

This progress report does not include new 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/clj