

**IT INVESTMENT CAPITAL FUND
PROJECT STATUS REPORT**

To: Information Technology Strategy and Investment Committee
John Vittner, Office of Policy & Management

FROM: Catherine Smith
Commissioner, Department of Economic and Community Development

AGENCY/PROJECT NAME: DECD / Lean-Driven IT Revitalization Project – Plateau 1

PROJECT MANAGER: Jim Watson (through 10/15/2015)/Susan Shellard

REPORTING PERIOD: Project Inception through 06/30/16

Total Funds Requested: \$1,620,000

Bond Commission Approval(s) Date: March 2015 Amount: \$ 1,620,000

Accumulative Total Capital Fund Expenditures to Date (6/30/16): Total: \$1,392,206 (expense: \$1,029,628, encumbrance: \$362,578, pre-encumbrance: \$0)

Brief Project Description/Summary: The goal of Plateau 1 (as described in proposal) is to provide an assessment of current state and future opportunities. KPMG was retained to perform necessary analyses and make recommendations in key areas including: Infrastructure Assessment and Cloud Feasibility; CRM (Customer Relationship Management) Application Assessment and selection; CORE-CT Assessment and designed to maximize DECD's use of the system; Software Application Life Cycle Assessment; and an Assessment of the impact of DECD's Plateau 1 decisions on DOH (Dept. of Housing.)

Summary of Progress Achieved to Date:

All analyses, described above, have been completed by KPMG and recommendations implemented as appropriate.

Migration of Data Center: DECD decided to move application hosting and data storage to the BEST Data Center. The process of moving the Northridge Loan Application to BEST hosting was initiated (January 2016) as a pilot for this effort and is now in testing. Other applications will follow. Support models for both applications and desktop support have been developed with BEST and will be finalized shortly.

Client Relationship Management System: Microsoft Dynamics has been selected and procured. Selection of an implementation partner is underway and implementation is expected to begin in Sept. 2016. A database inventory has been completed.

CORE Self-Serve Time and Time-Off Entry: Implementation is underway and will be completed in Feb. 2017 based on availability of Time-Off Module in CORE.

Department of Housing Impact: KPMG completed an assessment of the impact of DECD's Plateau I decisions on DOH. An assessment of a cloud option for hosting the Housing Development System (HDS) application is underway. DOH will not participate in the initial roll out of the CRM System, but will be given exposure to the system to consider it for the future.

Project Management: It was determined that Microsoft Dynamics meets the Agency's needs and the system was purchased via State Contract. As a result, KPMG's services were not required to support a competitive bid process. The resources that would have been used for procurement support will enable KPMG to provide project management support for application migration, finalization of support agreements with BEST, and document storage through October 31, 2016.

Issues and Risks:

Migration of the Nortridge loan management application has taken longer than anticipated due to various issues which will be addressed in the project planning for migration of future applications.

Planning is underway regarding document storage both as part of the CRM implementation and a long-term solution. Development and implementation of a comprehensive document storage solution for agency will be done in Plateau II.

It is difficult to project the final costs for all of the work contemplated in Plateau I and a proposal for Plateau II will be submitted.

Next Steps & Project Milestones:

Completed migration of Northridge Loan Management application to BEST (August 2016) and closure of the DECD data room: Third Quarter 2017

Implementation of Microsoft Dynamics CRM system, January 2017

Implementation of CORE-CT Self-Service Time and Time-off Entry: February 2017

Development of Plateau II proposal: Second Quarter 2017