Joint Technology Committee
April 10, 2019

Agenda
Berry Dunn Evaluation
Quarterly Update
Current State and Next Steps

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Hot Topic: HR Works Evaluation (HB18-1421)

Key Findings from the BerryDunn evaluation report on major IT procurement:

- Cost savings and efficiencies cannot be significantly achieved without decommissioning legacy systems.
- The success criteria established for HRWorks were minimal and insufficient.
- The project had additional risk factors due to lack of alignment between primary stakeholders (HR, Payroll, and OIT).
- Procurement risks and the additional project complexities of a multi-vendor solution were not fully understood.
- Vendor scope was changed without following project and procurement best practices.
- Contract changes were negotiated through business executives rather than OIT’s contracts office.
- There was no cost benefit analysis (CBA) that analyzed the business value vs. cost.
- The Project Manager (PM) and technical staff lacked experience with a state project of this size and complexity.
- Independent Verification and Validation (IV&V) was engaged later in the process than policy requires.

HB18-1421 statute:

- A contract for a major information technology project (Section 24-37.5-102(2.6) Definition) shall not be deemed valid until approved by the CIO or designee.

BerryDunn Recommendations:

- A contract for a major information technology project (Section 24-37.5-102(2.6) Definition) shall not be deemed valid until approved by the CIO or designee.
- OIT Standard Operating Procedure ensures alignment of procurement for Major IT projects.
- New independent assessment of cost benefit analysis, business driven outcomes, and vendor selection will occur as first step in Major IT procurements before signing contract.
- Project gates will include outcome alignment and checkpoints.
- Projects will be required to identify applications to be decommissioned prior to completion and funding to accomplish this must be part of the original funding request.
DPA HRWorks Phase 1 - Workday w/ Benefits

Project Overview
Project Sponsor: Kara Veitch
OIT Project Sponsor: Dan Santangelo
Agency Project Lead: Tobin Follenweider
OIT Program Manager: Sharon Roberts

This new project replaces the larger HRWorks project, which consisted of six work streams. This new project will implement Human Capital Management and Benefits.

Status Update

Latest Achieved Milestones
- Completed all business process documentation.
- Completed data element mapping of the legacy payroll system.

Start Date: 10/29/2018
End Date: 09/30/2019

Next Major Milestones
- Complete the definition and visioning of the overarching strategy for the solution is complete.
- Complete both discovery and requirements within Benefits module.

Major Risks and Issues
- Data Entry Duality, HRWorks will be adding a new layer of manual processes to the current payroll data entry that will exist once the new Benefits system goes live. There is no mitigation for this issue.

Schedule
The Go-Live date was previously estimated to be 8/5/19. However, this date will not be met. Schedule is in red pending recalculation when scope is finalized.

Budget
Total Amount Funded: $41,591,590.
86% of budget spent.

Minor Issues
Budget reflected above is the Capital Construction budget. Budget is yellow until the new project's budget is approved by the Project Leadership Team.

Stakeholder and Policy Alignment
The agency and OIT are in alignment with respect to project goals. The solution complies with all applicable OIT policies as well as the Project Lifecycle Methodology.

Scope
Project was rescoped to include Human Capital Management and Benefits in this phase solely. Scope is in red until the definition and visioning of the overarching strategy for the solution is complete.
HRWorks - Current State and Next Steps

Current State
- Stopped all work by vendors
- Assessment of project by Colorado Digital Services
- Received draft report

Next Steps
- Retrospective with vendors
- Agile
  - contracting
  - software development
  - training
  - sprints
- Dedicated state resources
- Includes HCM, payroll, time and leave, labor allocation and benefits