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# Information Technology (IT) Strategic Plan Update Fiscal Year 2015

Prepared March, 2014

## 1. Top Five IT Goals

The Department of Employee Trust Funds (ETF) administers the Wisconsin Retirement System (WRS), under the oversight of the Employee Trust Funds Board, and group health insurance for state employees and many local employees, under the guidance of the Group Insurance Board. The WRS covers nearly all public employees in the state except those employed by the City of Milwaukee and Milwaukee County and some very small governmental employers. As of February 2014, the WRS has approximately 1,525 employers, 256,000 active members, 152,000 inactive members, 179,000 annuitants. The group health insurance program covers approximately 250,000 lives.

In addition, the Department administers a number of other employee benefit programs, available to all state employees and some local government employees.

### Strategies

The Department's overall strategic plan includes the following priorities and goals:

#### **I. Offer self-service tools to Wisconsin Retirement System (WRS) members and employers**

- a. Provide WRS members with secure online access to their account, including the ability to securely update information online.
- b. Expand online retirement planning tools, including the online calculator and instructional videos.

#### **II. Expand outreach to more members and employers in more parts of the state**

- a. Implement more timely and efficient electronic communications with members and employers.
- b. Serve more members and employers throughout the state by offering more retirement planning and other informational sessions outside of the Madison-area.
- c. Empower members and employers by making benefit program materials more user-friendly, accessible and easily understood.

#### **III. Strengthen internal workforce training programs to maintain a highly skilled and knowledgeable workforce**

- a. Develop training modules, utilizing computer-based programs, for new hires.
- b. Ensure adequate opportunities for "on-the-job" training are offered to new and existing employees.

In addition, the Department has worked with the Group Insurance Board and the Department of Administration to define and prioritize strategic goals specifically for the group health insurance program. Those strategic goals include:

- I. Maximizing Quality and Value** by strategically using, improving, expanding, and communicating data and metrics to inform evidence-based, forward-thinking decision making at all levels.

- II. Containing Costs** by proactively identifying program efficiencies and targeting sustainable program costs for our employers and members while maintaining quality benefits.
- III. Improving Health and Wellness** by designing life enhancing benefits that are responsive to our members' needs.
- IV. Engaging and Educating our Members and Employers** with the information needed to maximize the efficient, appropriate utilization of insurance benefits and services.
- V. Delivering Benefits that Enable Public Employers to Attract and Retain a Quality Workforce** by providing a competitive benefits package.

### IT Plans

The mission of our IT staff is to enhance the service quality and productivity of our internal and external customers, in alignment with the Department's strategic goals.

The Department is working to replace all of its line-of-business legacy applications with a newly purchased public employee benefit administration system (BAS). In December, 2013 ETF selected Vitech Systems Group to implement their V3 system to meet all of ETF's line-of-business processing needs. The contract for this system was signed in February, 2014.

In SFY15, ETF's top five 'IT' goals are:

- 1) Implement the BAS technical infrastructure at the State's central data centers using DET's new Infrastructure as a Service.
- 2) Complete BAS Rollout 1: Imaging, Workflow, and Content Management. With Rollout 1, ETF will no longer use DET's Content Manager services.
- 3) Continue our Data Integrity project to profile and cleanse our legacy data, and prepare it for conversion to the BAS.
- 4) Initiate the two-year effort to implement Rollout 2 of the BAS. This phase will include functionality for benefit processing and employer reporting. It will entail significant bridging of data between the legacy systems and the new BAS.
- 5) Evaluate, and if appropriate, implement the hosting of ETF's commodity infrastructure services at DET. This could include network, server, email, storage, backups, etc.

## **2. ETF IT Budget**

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ETF has not completed budget planning for SFY15 at the time of the writing of this plan. An estimate of ETF's IT-related expenditures for SFY15 is \$17.8M.

This number includes compensation for all agency staff in IT job classifications, both in the IT organization and in the business areas, hardware, software, DET charges for mainframe, hosting, BAS hosting, and network services, VMS contractors, IT-related training and travel, and vendor costs associated with the PeopleSoft and the TIM initiatives.

Item	Estimate
Hardware / Software & Annual Maintenance	\$ 1,033,932
DET Services	\$ 3,058,200
IT Contractors / Consultants	\$ 8,444,849
Salary/Benefit for FTE Staff in IT Job Classifications	\$ 4,841,974
IT Training/Travel	\$ 105,400
Other	\$ 300,000
<b>Total</b>	<b>\$ 17,784,354</b>

**3. Number of Agency IT Employees**

The follow table shows the number of *positions* in IT-related job classifications at ETF. The program area/PMO Office staff are typically business analysts, IT liaisons, project managers, data analysts, web masters, or telecom staff. The Bureau of Information Technology Services staff are typically programmers, DBAs, infrastructure support, QA, and management. Project-related consultants are not included in this count.

Position Type	Bureau of IT Services Positions	Rest of Agency IT-Related Positions
FTE	31.0	13.0
LTE	1.0	-
Contractor	14.0	4.0
Open Positions	-	-
<b>Total</b>	<b>46.0</b>	<b>17.0</b>

ETF has a current total of 63 IT-related positions.

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**4. Agency Projects**

1) Project Name: <b>Transformation, Integration, Modernization (TIM) – Benefit Administration System (BAS)</b>			
2) Project Type: <input type="checkbox"/> New FY15 <input checked="" type="checkbox"/> Ongoing			
3) Project Description:  ETF will replace all its line-of-business computer applications with the Vitech V3 benefit administration system. This four-year project will be completed in three rollouts: 1) Imaging, workflow, & document management; 2) CRM, Employer reporting & administration functionality; 3) Benefits administration, employer portal & member portal. This system will interface with ETF's FMIS and later with STAR. ETF will host this system at DET.			
4) Project Schedule	Start: March 2014	Completion: 2018	
5) Application Platform:	<input type="checkbox"/> Mainframe	<input type="checkbox"/> Windows Multi-Tier	<input type="checkbox"/> Client-Server
	<input checked="" type="checkbox"/> Web Internet	<input type="checkbox"/> Web Intranet	<input type="checkbox"/> Physical
	<input type="checkbox"/> Consolidated	<input type="checkbox"/> Co-located	<input type="checkbox"/> Virtual
6) Application Type:	<input type="checkbox"/> State Developed	<input type="checkbox"/> SaaS	<input type="checkbox"/> Transfer
	<input checked="" type="checkbox"/> COTS	<input checked="" type="checkbox"/> Vendor (DET) Managed/hosted	<input checked="" type="checkbox"/> Other (specify) _____ Consulting services
7) Technical Architecture Components: Vitech's V3 BAS is a purchased system that requires extensive configuration but minimal customization. Major technologies are Java and Oracle Database. Most of the functionality is proprietary to Vitech.			
8) Estimated Total Project Hours: <b>4 Years + 1 Year Warranty</b>		8a.) Estimated Total Project Cost: <b>\$22.2M</b>	
9) Related Projects and Dependencies: <b>Data Integrity, FMIS</b>			
10) Is this a High-Profile Project? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (If Yes, complete information below.)			
Executive Sponsor: Bob Conlin		Division: Office of the Secretary	
Business Sponsor: TIM Steering Team		Division: Enterprise	
Senior Project Manager: Bob Martin		IT Authority: Dana Perry	
Is Full Funding for Project Approved/Secured?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Funding Source for the Project: <input type="checkbox"/> GPR \$ _____		<input type="checkbox"/> PR \$ _____ <input checked="" type="checkbox"/> SEG \$22.2M	
<input type="checkbox"/> FED \$ _____			
11) Issues that may influence successful execution of the project: <b>See 7. Issues</b>			

1) Project Name: <b>Transformation, Integration, Modernization (TIM) - Data Integrity</b>			
2) Project Type: <input type="checkbox"/> New FY15 <input checked="" type="checkbox"/> Ongoing			
3) Project Description: ETF has contracted via a RFP with ICON Technologies to profile, cleanse, and assist with the conversion and migration of all legacy line-of-business data to the new BAS.			
4) Project Schedule	Start: January 2013	Completion: Commensurate with the final phase of the BAS implementation – March, 2018	
5) Application Platform:	<input type="checkbox"/> Mainframe	<input type="checkbox"/> Windows Multi-Tier	<input type="checkbox"/> Client-Server

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	<input type="checkbox"/> Web Internet	<input type="checkbox"/> Web Intranet	<input type="checkbox"/> Physical
	<input type="checkbox"/> Consolidated	<input type="checkbox"/> Co-located	<input type="checkbox"/> Virtual
6) Application Type:	<input type="checkbox"/> State Developed	<input type="checkbox"/> SaaS	<input type="checkbox"/> Transfer
	<input type="checkbox"/> COTS	<input type="checkbox"/> Vendor Managed/hosted	<input checked="" type="checkbox"/> Other (specify) ___ Consulting services
7) Technical Architecture Components:			
8) Estimated Total Project Hours:		8a.) Estimated Total Project Cost: <b>\$2.3M</b>	
9) Related Projects and Dependencies: <b>Required for the data conversion to the BAS</b>			
10) Is this a High-Profile Project? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (If Yes, complete information below.)			
Executive Sponsor: Bob Conlin		Division: Office of the Secretary	
Business Sponsor: TIM Steering Team		Division: Enterprise	
Senior Project Manager: Bob Martin		IT Authority: Dana Perry	
Is Full Funding for Project Approved/Secured? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Funding Source for the Project: <input type="checkbox"/> GPR \$ _____ <input type="checkbox"/> PR \$ _____ <input type="checkbox"/> SEG \$ <b>2.3M</b> _____ <input type="checkbox"/> FED \$ _____			
11) Issues that may influence successful execution of the project: <b>See 7. Issues</b>			

**5. Potential Agency Projects**

Potential Project Name: <b>Infrastructure Hosting at DET</b>
Description: Evaluate, and if appropriate, implement the hosting of ETF's commodity infrastructure services at DET. This could include network, server, email, backups, etc.
ETF is committed to using the new Exchange 2013-based enterprise email system and will start working with DET project staff in June or July 2014. ETF will evaluate infrastructure host at DET with a target completion date of December 2014.
Anticipated Total Cost: Unknown
Resourcing: SEG

**6. IT Infrastructure Projects or Expenditures**

ETF does not expect to have any infrastructure projects during SFY15 that exceed \$100,000.

**7. Issues**

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Issues that may impact the successful execution of our agency IT plan are:

1. Inadequate internal staffing to meet demands (business and IT resources);
2. Staff turnover, especially due to retirements, reductions and/or position freezes;
3. State and/or federal legislative changes affecting our programs;
4. Workload increases due to an increase in participants seeking benefits and services;
5. Department of Administration Division of Enterprise Technology (DET) unfunded upgrades, rate increases, resource availability;
6. Unfunded costs due to increased usage of DET resources at a higher than anticipated cost;
7. Competing timelines;
8. Obtaining on-going base funding for operations, infrastructure upgrade/replacement; and
9. Flexible, accountable and measurable agency contracts for goods and services agreements.
10. Unnecessary conflict between the STAR project and the BAS implementation if the scope of the STAR project is allowed to include functionality implemented within the BAS. This risk would impact successful execution of both the BAS and the STAR project.

Please contact Dana Perry, CIO/IT Director, at 608-264-6943 if you have any questions.