



STATE OF WISCONSIN
Department of Employee Trust Funds
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Information Technology (IT) Strategic Plan Update Fiscal Year 2016

Prepared March, 2015

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 2015, the WRS has approximately 1,480 employers, 256,000 active members, 152,000 inactive members, 184,000 retired members. 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 was recently updated to include the following goals:

- 1) Maintain compliance with industry financial and accounting standards, federal and state laws, agency rules, policies and procedures.
- 2) Administer program benefits and services that are sustainable for our members and employers.
- 3) Employ business practices that incorporate documentation, testing, evaluation, and risk management.
- 4) Expand metric-based decision making to contain costs, maximize quality, and add value for our customers.
- 5) Optimize business processes and systems that must be integrated, secure, and flexible.
- 6) Develop and implement a secure, intuitive benefits administration system that empowers our customers to access online benefits information and self-service tools.
- 7) Provide information and education, accessible services, and interactive communications to meet customers' needs.
- 8) Foster a diverse and skilled workforce that is adaptive, collaborative, forward-thinking, accountable, and productive.

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 purchased public employee benefit administration system (BAS). In February, 2014, ETF signed a contract with Vitech Systems Group to implement their V3 system to meet all of ETF's line-of-business processing needs. ETF, Vitech, and DET have been working on this project since March, 2014.

In SFY16, ETF's top 'IT' goals are:

- 1) Complete BAS Rollout 1: Imaging, Workflow, and Content Management. With Rollout 1, ETF will no longer use DET's Content Manager services. Some limited member and employer demographic data will be bridged between the legacy applications and the BAS.
- 2) Continue our Data Integrity project to profile and cleanse our legacy data, and prepare it for conversion to the BAS.
- 3) Continue the work to implement Rollout 2 of the BAS. This phase includes functionality for benefit processing, employer reporting, and limited member access. It will entail significant bridging of data between the legacy systems and the new BAS.
- 4) Complete the re-hosting of ETF's technical infrastructure to the DET data centers.
- 5) Fully integrate the ETF FMIS (Financial Management Information System) with STAR financials during STAR Roll-out 1. Decommission ETF FMIS as appropriate.
- 6) Integrate STAR HCM modules with ETF legacy systems in the short-term and with new BAS functionality over the next 3+ years. STAR has significant implications for ETF's business model if a comprehensive integration plan is not in place and implemented with each STAR and BAS project implementation dates.

ETF IT Strategic Plan Update
Fiscal Year 2016
Prepared March 2015

2. ETF IT Budget

ETF has not begun budget planning for SFY16 at the time of the writing of this plan. An estimate of ETF's IT-related expenditures for SFY16, using the FY15 budget as a basis, is \$16.2M.

This number includes compensation for agency staff in IT job classifications in our internal IT bureau and our Office of Enterprise Initiatives, but not the staff in IT job classifications located in other parts of the organization. The estimate includes 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.

Fiscal Yr.	
2015	
Description	Total Budget
Personal Services	
Subtotal:	5,255,000
Supplies & Services	
Contractual Services Exp	2,219,600
Contractual contingency	113,400
Data Network Charges-badgernet	133,000
Data Proc - Private Vendors	2,785,890
Data Processing - State	3,774,600
Maint & Repair - DP Equipment	667,700
Other Travel & Training Exp	90,000
Subtotal:	10,346,590
Fixed Assets	
Security Hardware	-
Fixed Assets - Equipment	600,000
Subtotal:	600,000
Grand Total	16,201,590

3. Agency Projects

1) Project Name: Transformation, Integration, Modernization (TIM) – Benefit Administration System (BAS)
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 STAR. ETF is hosting this system at DET.

ETF IT Strategic Plan Update
Fiscal Year 2016
Prepared March 2015

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) <u>Consulting services</u>
7) Technical Architecture Components: Vitech's V3 BAS is a purchased system that requires extensive configuration and some customization. Major technologies are Java and Oracle Database. Most of the functionality is proprietary to Vitech.			
8) Estimated Total Project Hours: 4 Years + 1 Year Warranty		8a.) Estimated Total Project Cost: \$22.2M	
9) Related Projects and Dependencies: Data Integrity, FMIS			
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: See 6. Issues			

1) Project Name: Transformation, Integration, Modernization (TIM) - Data Integrity			
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
	<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) <u>Consulting services</u>
7) Technical Architecture Components:			
8) Estimated Total Project Hours:		8a.) Estimated Total Project Cost: \$2.3M	
9) Related Projects and Dependencies: Required for the data conversion to the BAS			
10) Is this a High-Profile Project? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (If Yes, complete information below.)			

ETF IT Strategic Plan Update
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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 \$ 2.3M _____ <input type="checkbox"/> FED \$ _____	
11) Issues that may influence successful execution of the project: See 6. Issues	

1) Project Name: ETF Infrastructure Rehosting (to DET)			
2) Project Type: <input type="checkbox"/> New FY15 <input checked="" type="checkbox"/> Ongoing			
3) Project Description: ETF is moving all its IT infrastructure to DET's data centers and taking advantage of DET's hosting services.			
4) Project Schedule	Start: June 2014	Completion: Winter 2015-16	
5) Application Platform:	<input type="checkbox"/> Mainframe	<input checked="" type="checkbox"/> Windows Multi-Tier	<input type="checkbox"/> Client-Server
	<input checked="" type="checkbox"/> Web Internet	<input checked="" type="checkbox"/> Web Intranet	<input type="checkbox"/> Physical
	<input checked="" type="checkbox"/> Consolidated	<input type="checkbox"/> Co-located	<input checked="" 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 type="checkbox"/> Other (specify) _____ Consulting services
7) Technical Architecture Components: Windows, Linux, WebSphere, SQL, etc.			
8) Estimated Total Project Hours:		8a.) Estimated Total Project Cost: <u>\$530K</u>	
9) Related Projects and Dependencies: This project timeline is set so as to avoid any conflicts with other major initiatives such as BAS and STAR.			
10) Is this a High-Profile Project? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (If Yes, complete information below.)			
Executive Sponsor: Dana Perry		Division: Management Services	
Business Sponsor: TIM Steering Team		Division: Enterprise	
Senior Project Manager: Joe Rueden		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 \$ _____ \$530K _____ <input type="checkbox"/> FED \$ _____			
11) Issues that may influence successful execution of the project: See 6. Issues			

4. Potential Agency Projects

None

5. IT Infrastructure Projects or Expenditures

ETF does not at this time expect to have any infrastructure projects during SFY16 that exceed \$100,000.

6. Issues

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;
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. Any unforeseen conflicts between ETF's projects and STAR.

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