

STATE OF WISCONSIN
DEPARTMENT OF EMPLOYEE TRUST FUNDS
801 West Badger Road
Madison, WI 53702

CORRESPONDENCE MEMORANDUM

DATE: June 6, 2002

TO: Employee Trust Funds Board
Wisconsin Retirement Board
Teachers Retirement Board

FROM: Julie Reneau, Administrator
Retirement Services Division

SUBJECT: Benefit Payments System Development Status Report

Background

The 2001-2003 biennial budget authorized the Department to contract for the development of a new Benefit Payments System. The proposed system will replace the existing annuity payment system, the accumulated sick leave conversion credits system, and the lump sum benefit payment system. It will also automate a number of manual processes including the calculation of lump sum benefits and provide improved service and productivity through Web-enabled self-service functionality in close integration with the WRS membership system. Implementation of the new system is scheduled for April 2004.

At the March Board meeting we reported that we had completed negotiations with Covansys, our system project vendor, and MAXIMUS, our project monitor. We were awaiting final Joint Committee on Finance approval to release funds for the project.

You will receive regular reports on the status of the Benefit Payments System project.

Project Progress since March 2002

Project Started

Covansys started at Employee Trust Funds on April 8, 2002.

Funding Approved

Joint Committee on Finance approved release of \$2,631,200 in 2001-2002 and \$2,887,300 in 2002-2003.

The Department had requested additional one-time funding:

2001- 2002: \$90,000 for project development tools and \$332,400 for project monitor

2002- 2003: \$332,200 for project monitor

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The Joint Committee on Finance concluded that they did not have the authority to release the additional monies requested through the passive review process (under this process, an agency request for the release of a specific amount is deemed approved if no member asks for a meeting to be scheduled within 14 days of the date of the request). However, they acknowledged the necessity of the request and stated that the Committee would entertain a subsequent request under standard §13.101(3) Wis. Stats., procedures.

Project Reporting

Weekly and monthly status reports are provided to the Steering Committee. The reports track project schedule, team accomplishments, open issues and future plans.

The Steering Committee meets monthly to go over project status and to review any outstanding issues.

Project Monitoring

MAXIMUS is our independent project monitor hired to mitigate the risk inherent in a project of this size. MAXIMUS staff completes activities in support of planning and project monitoring. Their monthly reports, provided to the Steering Committee and the Secretary's Office (Eric Stanchfield and Dave Mills), include project status, issue tracking and risk management assessment. MAXIMUS staff meets monthly with Eric and Dave for discussion on the project.

MAXIMUS also sends reports directly to the Department of Electronic Government on the project status. The monitor tracks the project's performance against the plan, including information on if the project is within budget, time and scope.

Project Status

The project is well underway and progressing as planned. The project has eight milestones (0 through 7). The team has completed milestones 0 and 1. Each milestone includes deliverable work products.

Work on the project to date includes, but is not limited to:

- Completed project start-up planning
- Held project kick-off meeting
- Completed environment set-up
- Established time and reporting methodologies
- Trained staff in project development process
- Filled all critical team positions
- Established issue tracking methodology
- Established project reporting requirements
- Completed risk assessment identification
- Gathered system functional requirements
- Completed architecture analysis and definition

Work on the Benefit Payments System is one of our top priorities within the Department. It is our goal to keep the project on time and within budget. The success of the project will be dependent upon meeting those goals and using state-of-the-art technology to meet the needs of our members and to provide efficiencies within Department operations.