Enterprise & Project Governance
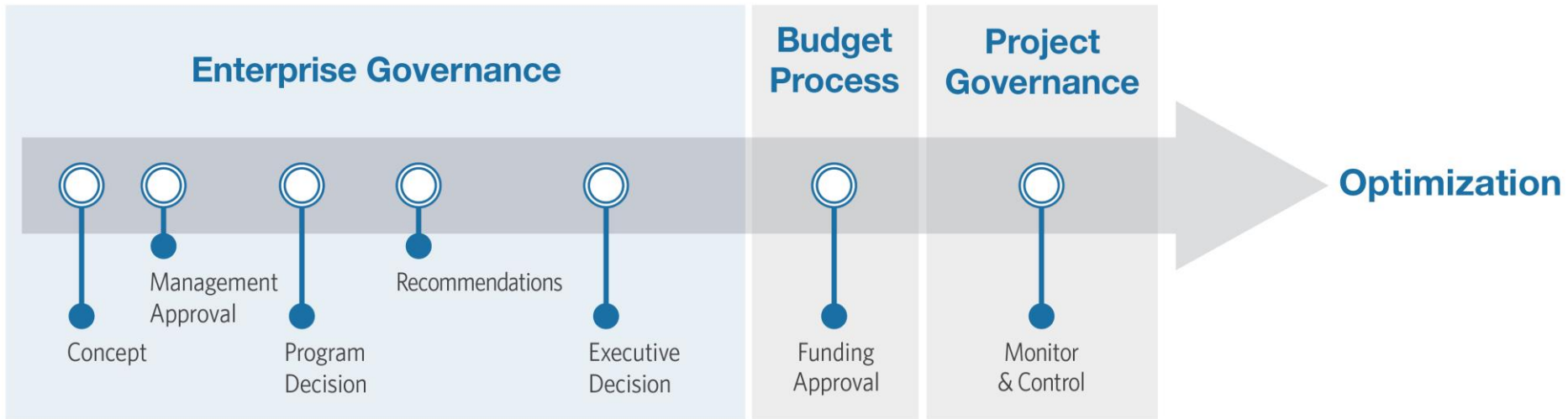
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Governance

Governance Levels

Governance Levels

Program

Enterprise Programs

Investments

Business Intelligence

Information Technology

Pension & Health

Security

Governance Levels

Program → **Senior Leadership** → Executives → Board of Administration

Governance Levels

Program > Senior Leadership > **Executives** > Board of Administration

Governance Levels
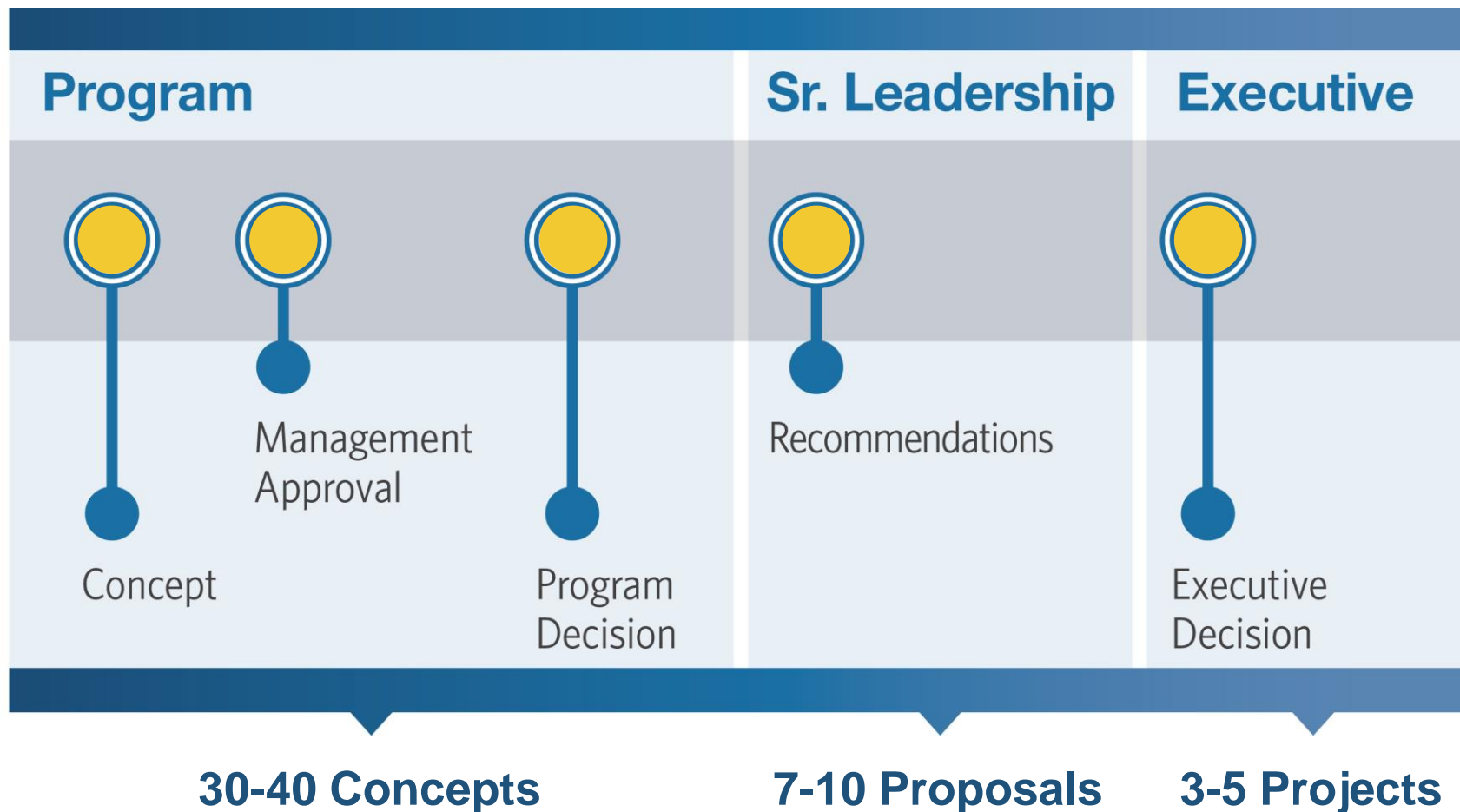
Program > Senior Leadership > Executives > Board of Administration

Governance Lifecycle

Enterprise Governance

Program	Sr. Leadership	Executive
Concept / Management Approval / Program Decision	Recommendations	Executive Decision
30-40 Concepts	**7-10 Proposals**	**3-5 Projects**

Governance Lifecycle

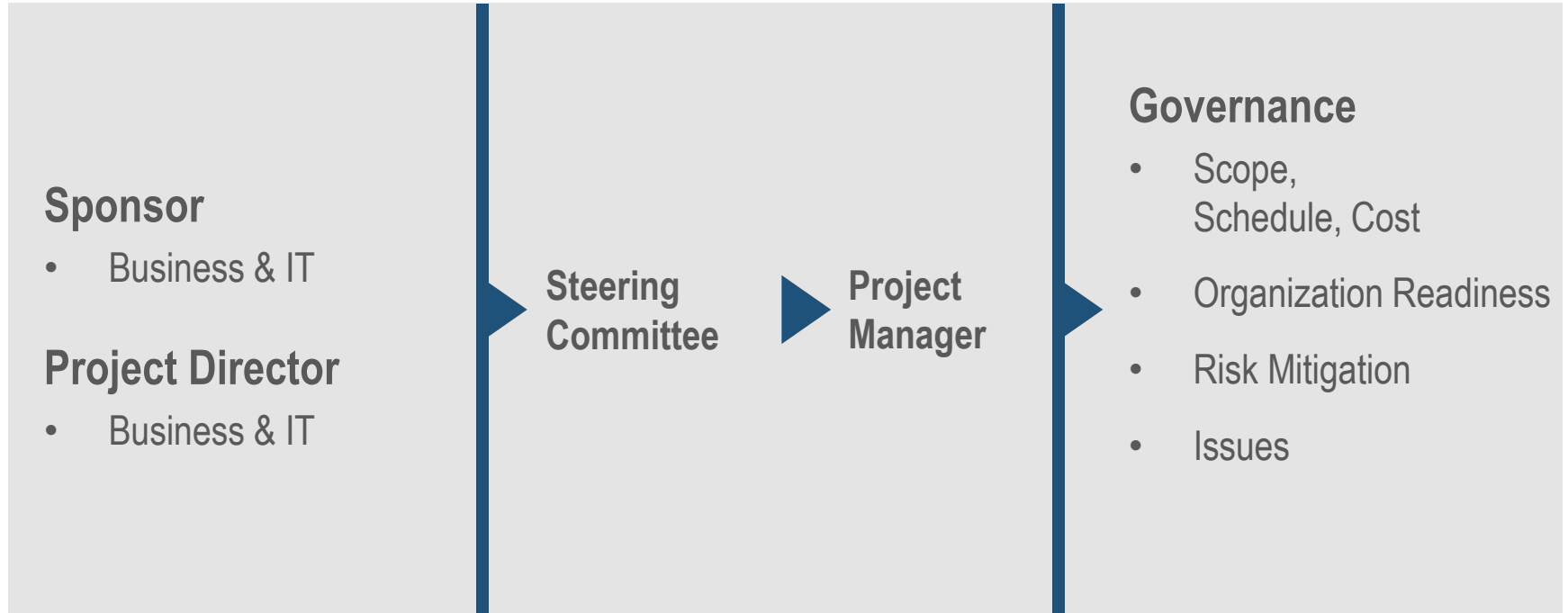# Project Oversight

Sponsor

- Business & IT

Project Director

- Business & IT

Steering Committee ▶ **Project Manager** ▶

Governance

- Scope, Schedule, Cost

- Organization Readiness

- Risk Mitigation

- Issues

Project Governance

Monitor & Control

Project Sponsors

Senior Leadership

Board Updates

Program and Project Steering Committees

Executive Level Meetings
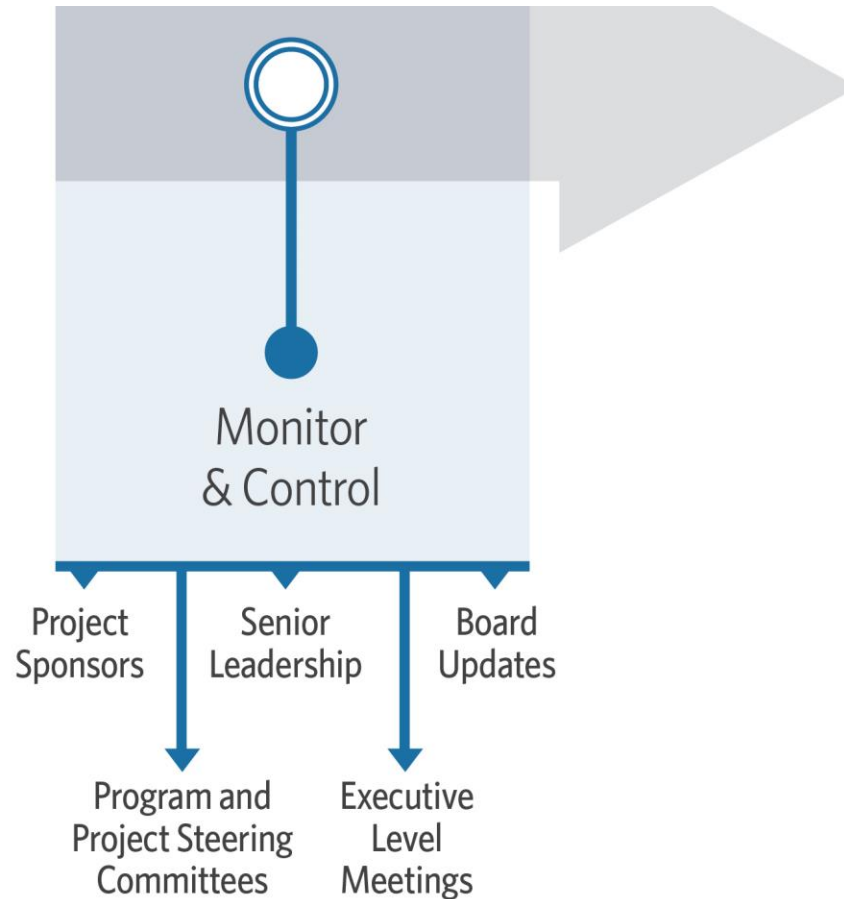
Key Governance Decisions

Dashboard & Quarterly Report

Chief Information Officer Report
January - March 2017

Information Technology Services Branch

Project Description

The Infrastructure Modernization (IME) project's objec...
no longer supported, reducing compatibility issues wh...
The IME project will adopt an open architecture that is...

Business Benefits
- Reduces hardware, software licensing, and admin...
- Reduces business risk and customer impact
- Improves service delivery and application of the c...

Start Date: 07/01/16   **End Date:** 06/30/20...

Overall Health Status: ⚠ Warning

Status Explanation: There have been delays with project activities related to user access of the databases after they are migrated to secure locations. Upcoming scope will be impacted by these issues, and could introduce delays to the schedule. A mitigation plan is in development and will be piloted for execution within the next few weeks. If successfully executed, there will not be any delays to the project schedule.

Critical Risks/Mitigation: Migrating myCZFSClones databases-the pre-work to migrate myCZFS Clones databases is posing risk to the project. The effort to gather information for NSR of those that require direct access to the clone databases is estimated to be large & may be difficult to complete by 6/30/17. The mitigation is developing a revised process for user access requests and firewall configuration implementation. This risk will be monitored until the firewall rules/configuration have been successfully implemented for all databases.

Critical Issues/Strategy: There is an issue with the Firewall migration rule configurations causing task delays which could result in project schedule delays. A mitigation plan is under development and will be executed over the next two weeks to allow for further analysis of the specific issues.

Major Accomplishments:
- Completed PeopleSoft production migration.
- Migrated four of 11 Business Intelligence (BI) databases.

Enterprise Project Dashboard

Project	Start Date	End Date	Budget	Total Expended	Overall Health Status
my|CalPERS Functional Optimization	10/01/14	06/30/18	$73,845,000	$52,055,030	🟩
Actuarial Valuation System Redesign & Enhancement (AVSRE)	03/09/15	10/31/18	$13,709,125	$2,351,557	🟩
CalPERS Education Center Replacement Solution (CEC)	06/24/15	07/30/18	$2,196,727	$547,550	🟨
Infrastructure Modernization Evaluation	07/01/16	06/30/17	$3,723,500	$1,636,503	🟨
Windows 10 Upgrade	08/24/16	01/19/18	$299,910	$150,930	🟩
Enterprise Identity System (EIS)	07/01/14	06/30/17	$3,327,753	$3,057,213	🟩
my|CalPERS Database Encryption (DBE)	07/01/16	06/30/17	$609,740	$9,060	🟩
Multi-Factor Authentication	07/01/15	06/30/17	$554,600	$485,270	🟨

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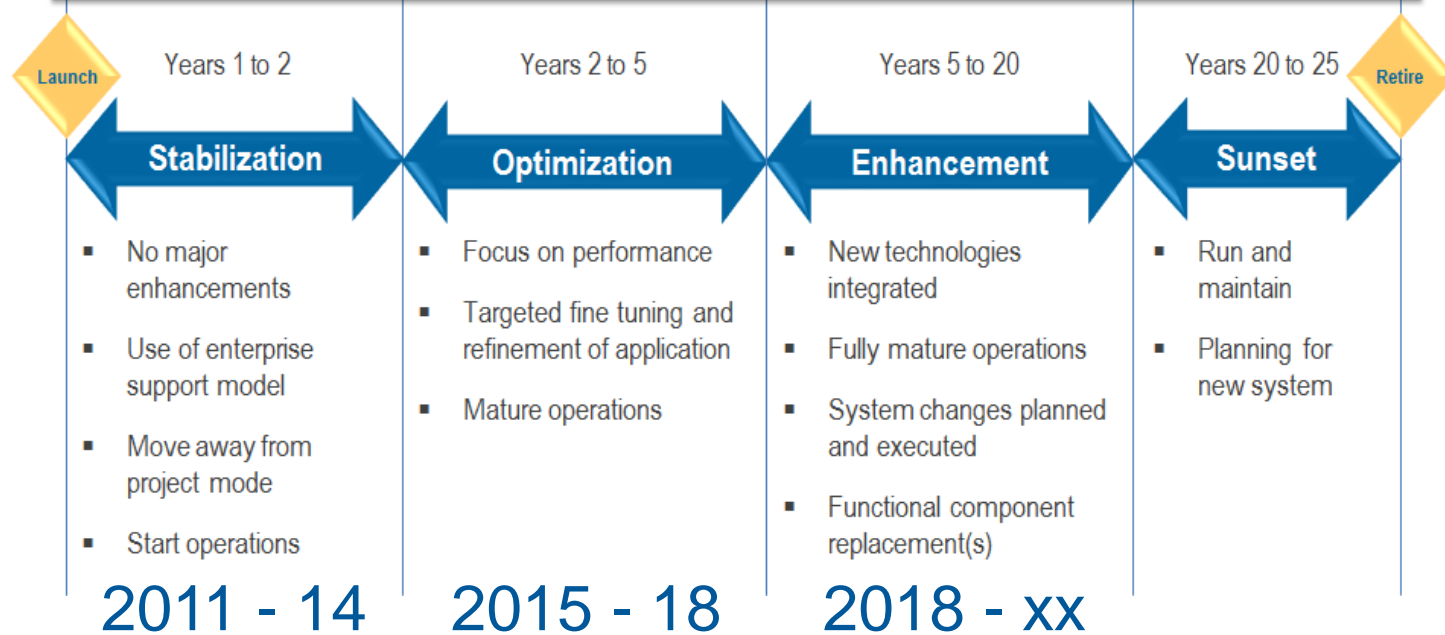
Post-Implementation Lifecycle
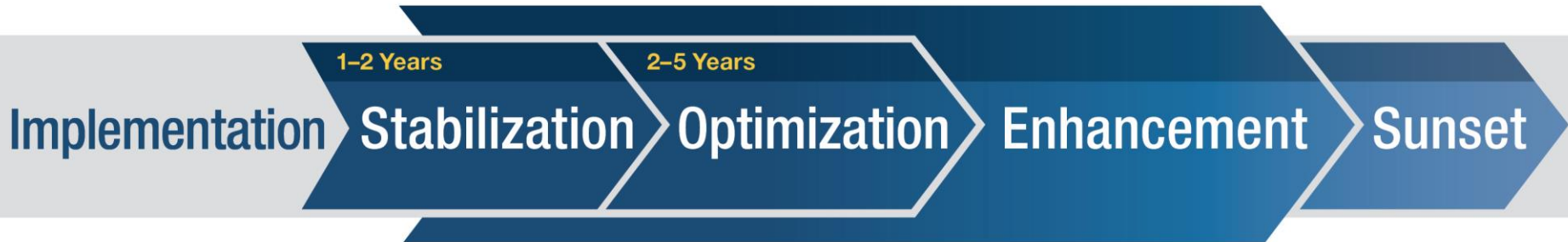
my|CalPERS Functional Optimization Governance
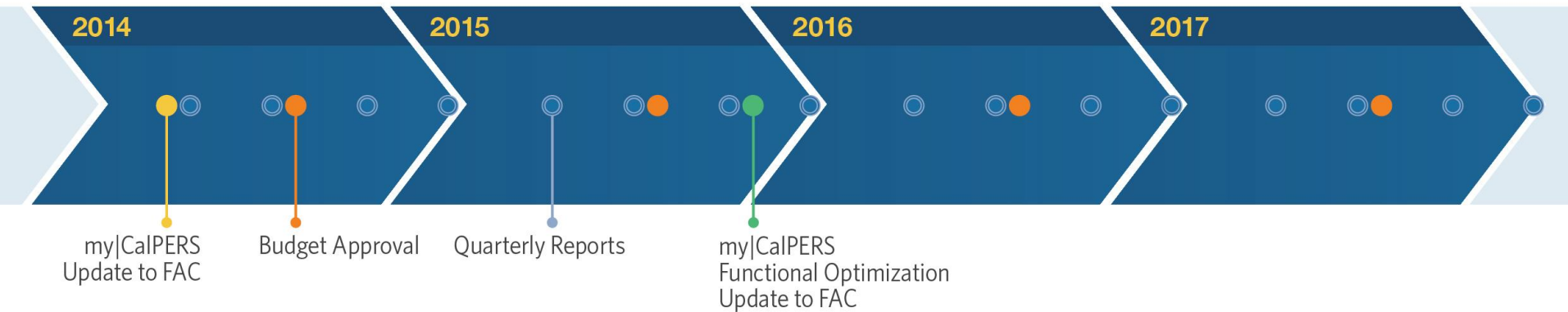
my|CalPERS Optimization

Objectives

**Typical Lifecycle Timeline | Assumes 25 Year Productive Useful Life**

Launch

Years 1 to 2 | Years 2 to 5 | Years 5 to 20 | Years 20 to 25

Retire

Stabilization | **Optimization** | **Enhancement** | **Sunset**

- No major enhancements
- Use of enterprise support model
- Move away from project mode
- Start operations

- Focus on performance
- Targeted fine tuning and refinement of application
- Mature operations

- New technologies integrated
- Fully mature operations
- System changes planned and executed
- Functional component replacement(s)

- Run and maintain
- Planning for new system

2011 - 14 | **2015 - 18** | **2018 - xx**

Optimization Targets

Actuarial
Fiscal
Customer Support
IT System Foundation
Contracts & Contributions
Health
Pension

Optimization Goals

✓ Improve Customer Service (faster benefit payments, noticeable gain in service levels)

✓ Reduce Risk (less chance of errors, increased compliance)

✓ Realize Operational Efficiencies (reduce temporary resources, reduce overtime expenses)

✓ Streamline Processes (reduce manual errors, save time on cases)

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Initiative Allocations
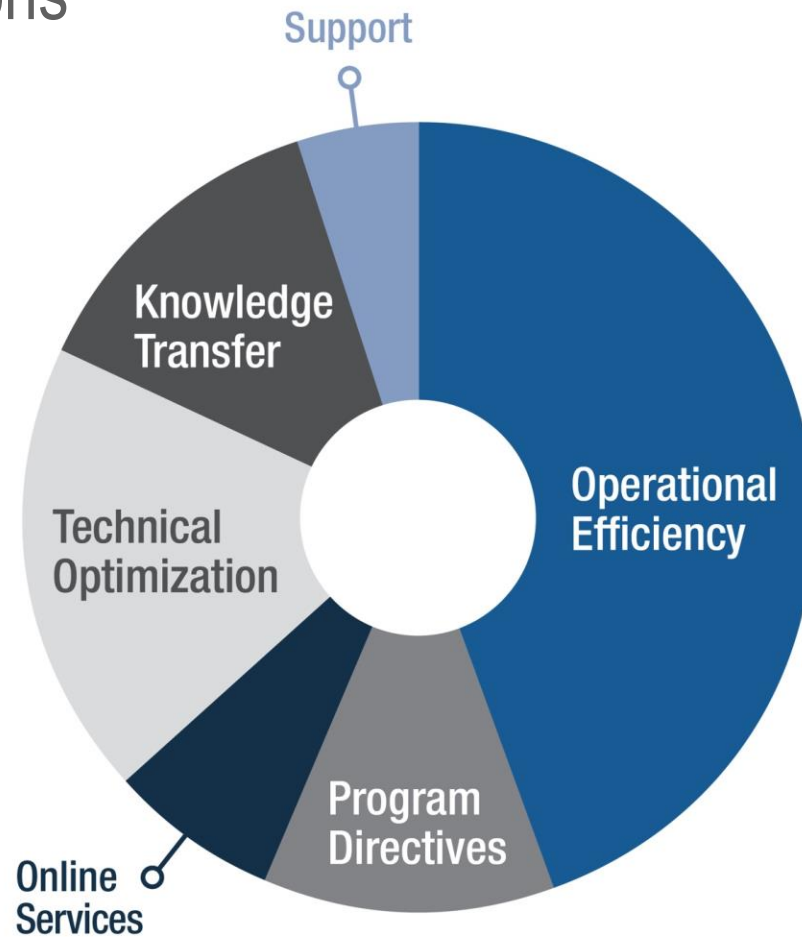
Operational Efficiencies

- Initiatives include: Vendor Bank Rejects Automation, Final Compensation Calculation, Redesign Medicare Processes, Replacement Benefit Plan

✓ Cost Savings

✓ Risk Reduction

✓ Improved Customer Service

✓ Streamlined Business Process

Program Directives

- Initiatives include: Single Medicare Payer, Interest Payments, Accounts Receivable Projections, MSS Retirement Options Simplification, Enrollment Recertification

✓ Cost Savings - $21M annually

✓ Risk Reduction

✓ Reduced Complexity

✓ Improved Customer Service

Online Services

- Initiatives include: Online Health Statements, Employer Accounts Receivable Tracking, Modification of Life Option Beneficiary, MSS Home Page Enhancements

✓ Cost Savings - $1M annually

✓ Risk Reduction

✓ Improved Customer Service

✓ Streamlined Business Process

Technical Optimization

- Initiatives include: Light Weight Task Manager, Business Rules Engine Replacement, Data Integrity

✓ Cost Savings - $5M one-time and $1M annually

✓ Knowledge Transfer

  ✓ Reduction in consultants

  ✓ Blended Teams

✓ System simplification

✓ Enhanced sustainability

Next Steps

- ✓ Complete analysis, design, coding, and testing of initiatives that will implement in FY 2017-18

- ✓ Deploy remaining initiatives over the next seven my|CalPERS releases

- ✓ Project is scheduled to end June 30, 2018

- ✓ Assess future needs

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Post-Implementation Lifecycle

Implementation › **Stabilization** (1–2 Years) › **Optimization** (2–5 Years) › **Enhancement** › **Sunset**

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