

The next steps for the Investment Accounting System project will be presented to the Board at the January meeting as a separate item.

ATTACHMENTS

- IT Modernization Program presentation

Prepared by:

Reviewed by:

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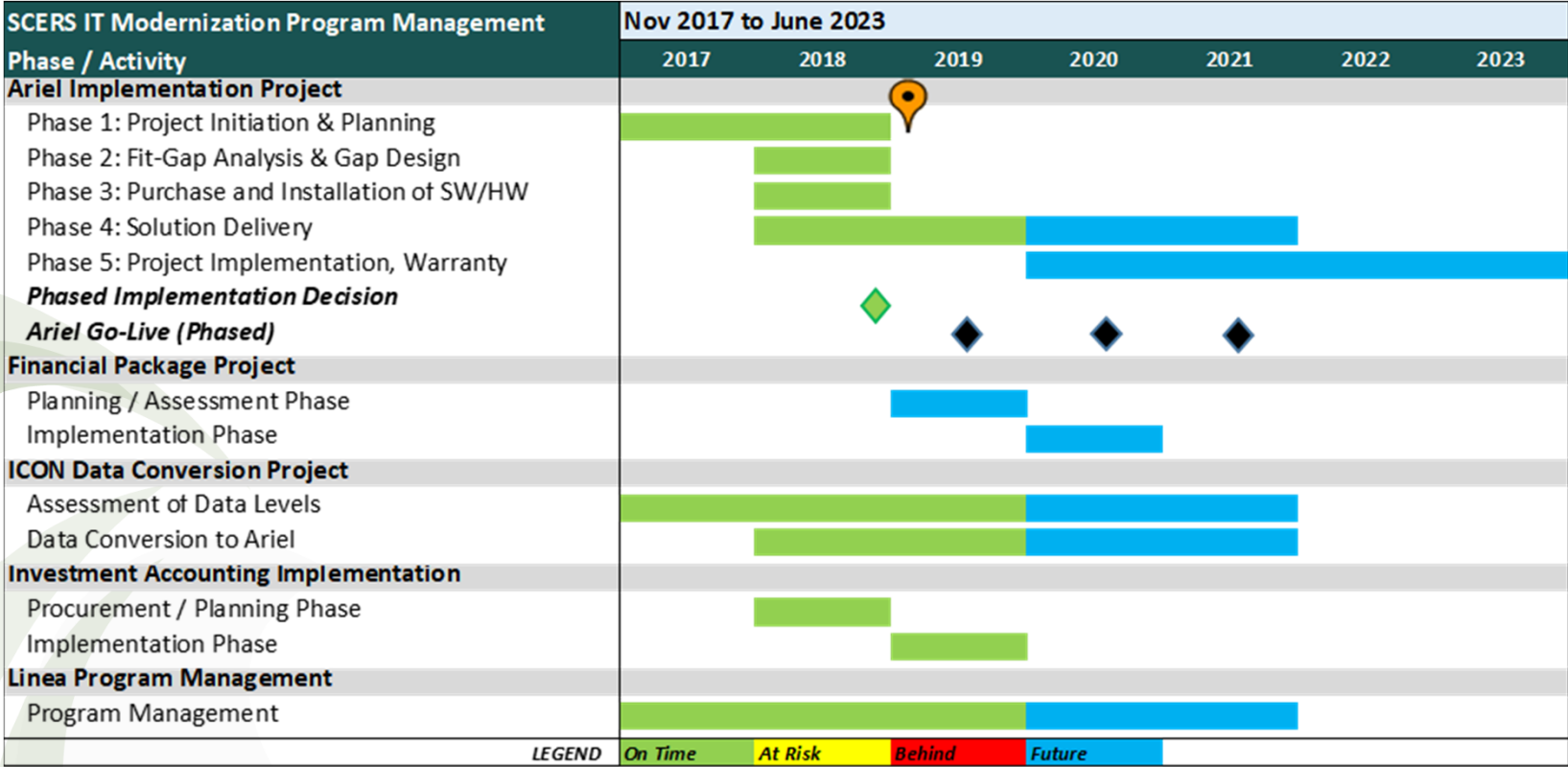
Update on SCERS' IT Modernization Program

January 16, 2019

Stephen Hawley
Chief Strategy Officer



IT Modernization Multi-year Timeline



Ariel (PAS) Development Schedule

SCERS IT Modernization Program	2019				2020				2021			
Ariel (PAS) Implementation (Phase 4)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Development & Testing												
<i>Segment 1: Generic Workflow, Filenet, Partner Portal</i>	27%											
<i>Segment 2: Payroll</i>												
<i>Segment 3: Benefit Calculations</i>												
<i>Segment 4: Admin Portal</i>												
<i>Segment 5: Member Portal</i>												
<i>Segment 6: Year End Processing / Other Functionality</i>												
Implementation (User Acceptance, Training, Go-Live)												
<i>Rollout 4A: Generic Workflow, Filenet</i>												
<i>Rollout 4B: Payroll, Benefit Calculations, Partner Portal</i>												
<i>Rollout 4C: Additional Benefit Calculations</i>												
<i>Rollout 4D: Member Portal</i>												
<i>Rollout 4E: Year End and Other Processing</i>												
LEGEND	On Time	At Risk	Behind	Future								



Overall IT Modernization Budget

Project Element	Explanation	April 2016 Estimate		October 2018 Forecast	January 2019 Forecast	Notes
		Low	High			
Software	Software licensing cost (one-time).	\$500,000	\$1,100,000	\$537,600	\$537,600	Morneau Shepell Contract
Implementation	Vendor fees to design and implement solution	\$5,200,000	\$8,400,000	\$9,521,426	\$9,521,426	Morneau Shepell Contract
3 rd Party Software, Hardware or Hosting fees	Servers/hardware, or annual cost for cloud-based solution	\$150,000	\$800,000	\$459,000	\$459,000	Morneau Shepell Contract
Project Oversight	Vendor management, QA of deliverables, Requirements Traceability, Best Practices consulting	\$1,500,000	\$2,000,000	\$1,600,000	\$1,600,000	Includes current Linea contract of \$992,095 through 12/31/19
Other Consulting Services	Specialized consulting— design, testing, employer payroll, training, business process reengineering, employer integration	\$1,700,000	\$2,500,000	\$1,500,000	\$1,500,000	Includes current Linea knowledge transfer, analysis, and testing contract of \$1,449,100
Data Conversion Services	Specialized consulting services for data conversion; includes Microfiche conversion	\$700,000	\$1,500,000	\$1,500,000	\$1,500,000	ICON Contract, including \$163,560 for microfiche conversion to digital images
Temporary Staffing	3-6 additional FTEs for 4 years.	\$900,000	\$1,500,000	\$500,000	\$500,000	Assumes between 2 resources at \$85/hour from Dtech or elsewhere.
IAS Implementation		\$0	\$0	\$700,000	\$350,000	For private market data services
FRS Implementation		\$0	\$0	\$500,000	\$500,000	
Website Modernization		\$0	\$0	\$250,000	\$250,000	Includes current site replacement contract of \$74,000
Modernization Program, Total		\$10,650,000	\$17,800,000	\$17,068,026	\$16,718,026	Total without contingency
				\$2,560,204	\$2,507,704	15% Contingency
				\$19,628,230	\$19,225,730	Total project budget

