

Child Protection Information System - Phase 2**FY2003 Request: \$5,044,600****Reference No: 6816****AP/AL:** Appropriation**Project Type:** Information Systems**Category:** Health/Human Services**Location:** Statewide**Contact:** Larry Streuber**House District:** Statewide (HD 1-40)**Contact Phone:** (907)465-1870**Estimated Project Dates:** 07/01/2002 - 06/30/2007**Brief Summary and Statement of Need:**

PHASED PROJECT: This project continues efforts for the development of an information system to protect the children of Alaska and the safety of front-line Family and Youth Services workers and to increase worker productivity. Failure to meet all the goals of the planning documents, including submission of required adoption and foster care data to the Administration for Children and Families, could result in the Department having to return over \$4.0 million to the Federal government. Also, failing to submit the required adoption and foster care data will result in a penalty. For the State of Alaska, this penalty is approximately \$16.0 every six months.

Funding:	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	Total
ASLC Div	\$2,522,300						\$2,522,300
Fed Rcpts	\$2,522,300	\$400,000					\$2,922,300
G/F Match		\$400,000					\$400,000
Total:	\$5,044,600	\$800,000	\$0	\$0	\$0	\$0	\$5,844,600

<input checked="" type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input checked="" type="checkbox"/> Phased Project	<input type="checkbox"/> On-Going
50% = Minimum State Match % Required	<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	370,000	4
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	370,000	4

Additional Information / Prior Funding History:

CH135/SLA00/P14L/14 – \$2,700.0 AHFC Dividends and \$2,700.0 Federal

CH123/SLA96/P53/L26 – \$67.6 in Federal funds from this appropriation were set aside by the Department for this project.

CH123/SLA96/P53/L24 – \$1,520.0 Federal

CH103/SLA95/P37/L23 – \$490.0 GF and \$1,470.0 Federal

Project Description/Justification:

Proposed Telecommunications Capital Project Review Form FY2003
Telecommunications Information Council Policy Committee
Technical Advisory Committee

1. Has this project been previously approved by TIC/TAC? Yes X No ___ If yes, and there are no significant changes to funding amounts or technologies there is no need to continue with this form. Please copy last year's final capital budget back-up here as your submission for FY2003.

Phase Project Questions

1. Has the Project changed Scope, timeframe, or non-State funding?

There are no changes to the scope, timeframe, and non-State funding.

2. Is the project on schedule?

Yes and following is a summary of the activities:

In 1995 DFYS began working on the development of a new information system referred to as ORCA. In January 1998, the development contractor notified the Division that it was unable to fulfill its obligation. After a settlement agreement was negotiated, the Division began evaluating alternatives for completing the project. To assist in this evaluation effort, the Division entered into a contract to provide an assessment of work already done and to provide recommendations for completing the project. That contract was completed in June 1998.

Network infrastructure upgrades have continued. These infrastructure upgrades are a critical component of implementing a new information system. As of the end of fiscal year 2001, 29 of 33 DFYS offices were connected to the Department of Administration's (DOA) wide-area network (WAN). Out of approximately 400 computer users, all but 12 have access to the WAN and the benefits that come with it.

In November 2000, the Division filled the vacant ORCA project manager position. The project manager has been tasked with developing and executing the new plan for moving the project forward. Currently the major milestones in the project plan are:

- April 2001 - Hire Data Processing Manager to oversee technical aspects of ORCA (completed)
- May-August 2001- Acquire BPR/QA contractor (completed)
- September-October 2001 - Conduct business process review (in progress)
- October-November 2001 - Review other State's SACWIS systems (in progress)
- November-December 2001 - Develop System Requirements (in progress)
- January 2002 - Finalize RFP for state and federal approval (planned)
- March 2002 - RFP issued (planned)
- May/June 2002 - RFP awarded (planned)

The business process review is a critical component in developing the new information system. It will identify functions social workers and supervisors perform and facilitate the replacement of the division's archaic and time-consuming work processes.

ORCA will take the way things are done now - the files, forms, and their handling - and streamline processes using information technology to facilitate information flow over barriers that can stop or delay paper-based processes. Wherever practical paper and related processing delays, such as handwriting client information on every form, will be eliminated. Information on billing and payments will feed directly to the accounting system, reducing delays in payments to foster parents and service providers. Scheduling for appointments, family conferences, court hearings, and team meetings will be all electronically based, with built-in calendar and reminder notices for front line workers.

3. What are the minimum funding requirements to keep the project on track?

The minimum funding requirement to keep the project on track is \$5,044.6 for FY03.

The 1998 assessment contract provided a baseline estimate of \$5.4 million for completion of the ORCA system. The passage of three years and the availability of more recent data on the actual costs of child welfare information systems have enabled the division to refine the 1998 cost estimate.

Data was gathered from the US Department of Health & Human Services, Administration of Children and Families on the actual cost of SACWIS transfer systems. This information showed that actual costs for transfer systems averaged nearly \$10.0 million, excluding hardware costs, significantly more than the \$5.4 million estimated by the assessment contract in 1998.

The following table presents data from the U.S. Department of Health and Human Services, Administration for Children and Families on the average costs of SACWIS transfer systems. The Cost in Millions column includes development costs (usually contractual fees) and associated state staff costs, but excludes hardware costs.

State	Review date	Workstations	Cost in Millions
Arkansas	1999	1,835	12.2
District of Columbia	2000	850	13.3
Maine	1999	700	7.9
New Mexico	1998	1,500	8.8
New Hampshire	1997	400	9.8
Rhode Island	1998	730	8.5
West Virginia	1998	930	10.0
Average Cost			10.1

The Division's existing computer equipment and networks will be upgraded in the future at a cost of \$1,100,000. While DFYS has attempted to upgrade its computer equipment at every opportunity, the envisioned management information system will likely outstrip the capabilities of the current workstation and network equipment. The Department anticipates that it will be necessary to repair or replace almost 100% of the current DFYS desktop personal computers and network inventory due to failure or obsolescence.

There are fixed and variable costs associated with the ORCA software development project. The majority of the itemized lines represent fixed costs that are independent of the number of workstations that the software will be deployed on. Variable costs that fluctuate with the number of workstations include: initial user training costs, software licenses and hardware costs. Therefore, the cost per workstation measurement for these items is an average, overall cost.

The following table provides an estimated breakdown of how the funds will be allocated.

	Total Hours	Total Cost
FY03		
Systems Analysis	8,000	\$1,400,000
Final Work Plan and Schedule	800	\$100,000
Requirements Validation	4,000	\$700,000
Detailed Systems Design	4,000	\$700,000
Systems Programming	32,000	\$4,000,000
Systems Testing	7,200	\$900,000
Data Conversion *	2,800	\$350,000
Acceptance Testing	2,400	\$300,000
User Training	<u>12,000</u>	<u>\$540,000</u>
Sub-total	73,200	\$8,990,000
400 Software Licenses @\$500		\$200,000
Planning/Management	18,000	\$810,000
Hardware (break down of cost listed below)		\$300,000
Servers & Network Equipment upgrades**	\$225,000	
Wide Area Network connectivity	\$75,000	

FY04

Hardware (break down of cost listed below)
 State of Alaska Capital Project Summary
 FY2003 Governor's Amended
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400 Workstations at \$1750 each	\$700,000
Workstation Installation Costs****	\$100,000

Total Cost FY 03 and FY04 91,200 \$11,100,000

* DFYS acknowledges that this estimate may be low considering the potential complexity of converting DFYS legacy systems into a single database. Information from other SACWIS projects indicated that an automated conversion process can be extremely complex, expensive and often results in limited success upon conversion. A decision was made to allocate a relatively small amount of the overall project resources to conversion with the realization that a portion of the legacy system information may not be converted into the new system.

** Includes central database server and 7 regional servers.

*** Includes connection of 5 non-WAN sites in Aniak, McGrath, Fort Yukon, Saint Mary's and Galena and upgrading speed of existing 56K sites where necessary.

**** Includes staff time and associated travel costs related to installation of network-ready workstations at 30 sites statewide.

DFYS has retained a contractor, MTG Management Consultants of Seattle, Washington, to conduct a business process review of the division and to provide technical assistance during the pre-development stages of the ORCA project. The project budget estimates were developed with the assistance of MTG, who recommended using the resource "Applied Software Measurement: Assuring Productivity and Quality" by T. Capers Jones. Mr. Jones is an internationally recognized consultant on software management topics and has authored several books recognized in the software industry as definitive.

The Capers Jones technique estimates the amount of effort required for the different segments of a software development project. For purposes of this budget, DFYS used the Capers Jones estimation technique adjusted where deemed appropriate.

Based upon a review of other SACWIS programming efforts, the estimated amount of effort devoted to systems coding is approximately 32,000 hours. Capers Jones expects about 35% of the total effort devoted to the project to be associated with this task, so the effort for the total project was determined to be approximately 91,200 hours. Applying Capers Jones estimated effort percentages to the remaining tasks yielded the following estimates: Systems Testing, Acceptance 9,600 hours; Design, Analysis, and Requirements Validation 16,000 hours; Project Planning and Management 18,800 hours. Conversion and User Training efforts were separately estimated at 14,800 hours.

To enter into the required multi-year contract, the Division must have the FY03 requested amount. In addition to the current contract for the business process review and technical assistance, we anticipate two more contracts: a system development contract, and one for quality assurance and development of the federal requirements document. This will also fund the project management and required planning that must take place.

4. What is the minimum effort needed to meet any federal requirements and avoid any potential penalties?

Federal funding was granted based on an approved planning document that was submitted to the Administration for Children and Families (ACF) by the Division. Failing to meet all of the specific goals of the planning document, which include submitting the required adoptions and foster care data to ACF, could result in being required to return approximately \$4.0 million to the Federal government.

ACF representatives have stated in the past that as long as the State continues to make reasonable progress toward implementation, ACF will not require repayment of funds. After more than three years with minimal progress, failure to make substantial progress as defined by issuing a new RFP and signing a long-term development contract could result in that demand being issued.

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As part of the AFCARS (Adoption and Foster Care Reporting System) legislation, all states are required to submit to ACF specific adoption and foster care data. While the Division has been able to implement a relatively small system for gathering the required adoptions data, the requirements for the foster care data are much more extensive and the number of cases is larger. Until the system is developed and implemented, the State will continue to be unable to submit all of the required foster care data. The State has incurred the penalty for this failure, \$32.0 per year, since April 1, 1998.