Technology Oversight Committee
Quarterly Report
(May – July 2013)

PART I – Technology Project Oversight in the City of Portland
May – July 2013

Background
On February 2, 2011, City Council approved Resolution #36844 creating an independent five-member citizen committee for City of Portland technology projects. On April 20, 2011, City Council adopted changes to City Code Chapter 3.15.010 and Chapter 3.15.070 to establish the duties and authorities of the Chief Administrative Officer and Chief Technology Officer respectively as they relate to Technology Project Oversight. On June 29, 2011, Council adopted edits to BTS Administrative Rule 4.01 – Technology Project Intake and adopted a new rule (BTS A.R. 1.07) on Technology Project Oversight.

As stated in BTS A.R.1.07, technology project oversight for the City of Portland includes the following components:

- Citizen Oversight
- Quality Assurance
- Project Management

Citizen Oversight
The citizen members of the Technology Oversight Committee (TOC) are:

Mayor Hales	Wilfred Pinfold, PhD Director, Extreme Scale Programs at Intel
Commissioner Fish	Ken Neubauer Infrastructure Manager, Standard Insurance
Commissioner Fritz	Doretta Schrock Transportation Security Administration
Commissioner Novick	Joshua Mitchell Web and Enterprise Applications Manager, Multnomah County
Commissioner Saltzman	Colleen Gadbois Director of Quality Management & Compliance Officer Life Flight Network

Quality Assurance

Quality assurance (QA) – provided by external contractors – is a required component of the City's technology project oversight. The role of the QA consultants on a project overseen by the TOC is to provide guidance and oversight to the City staff on the technology project, but ultimately to report the QA's unbiased findings to the TOC.

Project Management

Staff from OMF Business Operations and OMF Bureau of Technology Services provide committee support and technical expertise to the TOC.

Major Accomplishments this Quarter:
- The TOC met with the City's Chief Procurement Officer in May to learn more about the technology contracting process at the City.

- The TOC sent a letter of recommendations to the Chief Administrative Officer and City Council that outlined opportunities to improve technology contracting at the City.

- The TOC implemented one of their recommendations by creating a contracting risk assessment tool that is completed by bureau staff working on TOC projects, in partnership with Procurement staff. This assessment tool is designed to be completed around the time of contract negotiations and makes it easy for the TOC to see what provisions are included in any given TOC contract.

- New projects that joined the portfolio for TOC oversight this quarter:
  - Office 365 Implementation, sponsored by the Bureau of Technology Services.
  - City Risk Information Solution Connection (RISC), sponsored by the Bureau of Internal Business Services.
  - Procurement Solicitation System, sponsored by the Bureau of Internal Business Services.

- One City project submitted TOC intake documents that were determined not to warrant TOC oversight:
  - Construction Project Management Software, sponsored by the Bureau of Environmental Services.

PART II – Summary of Technology Projects under TOC Oversight
May – July 2013

Project name: **Information Technology Advancement Project (ITAP)**
Bureau: Bureau of Development Services (BDS)

Project Description:
Develops paperless permit and case management and allows complete, online access to the permitting and case review services that development bureaus provide. Project deliverables include digitization and online access of historical permits, case and property information; implementation of an updated permit and case review information management system; online case and permit application and review services; mobile online access for field staff; and implementation of an automated queuing system.

Status: The project is meeting expectations in its current phase, but the TOC continues to monitor the initial concerns of timeline and total cost.

Major Accomplishments this Quarter:
- Two of the three contracts have been signed.
  - Sierra Systems (signed): System integration and implementation services.
  - Infor Hansen (signed): Permitting software licenses and maintenance.
  - Avolve/ProjectDox (not signed): Digital plan review software.
- Executive kickoff with project team and vendors occurred on June 25. This was the formal launch of the project.
- BDS is recruiting for a Technology Capital Project Manager (position posted June 24), with plans to have a project manager on board in August.
- The project team continues to work on project readiness activities, including the GIS system that will interface with the new system, business process improvements, and data cleanup and conversion.

Upcoming Milestones next Quarter:
- Avolve/ProjectDox contract signed – Aug. 2013
- Technology Capital Project Manager hired – Aug. 2013
- Phase 1 deliverables:
  - Create an engagement plan – Aug. 2013
  - Develop a formal, detailed project plan – Fall 2013
  - Set up sandbox/training environment – Fall 2013
  - Identify project team training needs – Fall 2013
  - Create a prototype to test functionality – Fall 2013

Risks, Concerns, Comments from TOC:
- Since this is a large project still in its early stages, the TOC rated everything yellow to stay vigilant and alert to potential unknown risks or conditions that may not have surfaced yet.
- Baseline information for the below dashboard was based on the final contracts. The estimated overall project costs increased slightly from $11.2 million to $11.8 million since the last quarterly report, reflecting the costs of hiring a professional project manager and an additional part-time subject matter expert.

Project Name: **BDS IT Advancement Project (ITAP)**
Bureau: **Bureau of Development Services**
Reporting Date: **7/15/2013**

	Initial Estimate at TOC Intake as of date: 3/7/2012	Planned at Baseline date: 7/1/2013	Current Revision	QA Assessment Red, Yellow, Green			TOC Assessment Red, Yellow, Green		
Expected Completion	May 29, 2015	Summer 2015		May	Jun	Jul	May	Jun	July
Confidence Level	**Low** Confidence level was not formally addressed or provided at time of submission - assessed retroactively	**Medium** Project schedule will be finalized during Project Phase 1 – Formal Project Plan		Green	Green	Green	N/A	Yellow	Yellow
Budget	**Approx. $8.2 mil** $2.75 mil in vendor services and software license costs plus $5.5 mil in City capital costs (Ordinance allowing BDS to start RFP process included $3 mil vendor service and license costs)	**Approx. $11.8 mil** $6 mil in vendor services and software license costs plus $5.8 mil in City capital costs (vendor costs does not include approx. $1 mil for 5-years of maintenance fees or $0.8 mil in vendor support post go-live)		Green	Green	Green	N/A	Yellow	Yellow
Confidence Level	**Low** Confidence level was not formally addressed or provided at time of submission - assessed retroactively	**High**		Green	Green	Green	N/A	Yellow	Yellow
Scope Stability Confidence Level	**High** Confidence level was not formally addressed or provided at time of submission - assessed retroactively	**High**		Green	Green	Green	N/A	Yellow	Yellow

* May is N/A because the TOC met with the Chief Procurement Officer for this meeting in lieu of discussing TOC projects.

Project name: **Monthly Billing Statements**
Bureau: Water Bureau; Revenue Bureau

Original Project Description:
The Portland City Council directed the Portland Water Bureau to modify its billing system and processes so the majority of its water and waste water customers receive monthly statements. Currently, the Water Bureau performs quarterly meter reads and bills quarterly. The quarterly bill will be divided into three monthly billing statements under the new program. Meter reads will still be done quarterly.

Status: Despite earlier delays with the vendor, the TOC feels this project is now stable and on track for cutover October 2013.

Major Accomplishments this Quarter:
- After City staff met with Cayenta leadership in March to discuss poor quality and delays, Cayenta was given a May 31 deadline to fix all outstanding defects, which they met.
- Integration/regression testing was completed the end of July.
    o 85% were completed without error.
    o 16 defects are with Cayenta for fxing.
- Contract with QA was renewed for another $5000, but the QA will not provide reports for July and Aug. in order to save the funds for a Sept. report and a lessons learned debrief.

Upcoming Milestones next Quarter:
- Acceptance testing – Aug. 19
- Final acceptance – Sept. 6
- Cutover – Oct. 4

Risks, Concerns, Comments from TOC:
- Timeline: Given the history with Cayenta, the TOC had low confident Cayenta would meet its deadlines. This metric is trending up as outstanding issues are being fixed and testing comes back positive.
- Budget: Cayenta's negotiation for the May 2013 fixes included a work order for almost $40,000 to complete necessary changes. The TOC is confident that $270,000 reflected in the below dashboard will be the final project cost, but there has been general concern on the quality of Cayenta's work. This metric is also trending up.
- Scope: There are no significant concerns on the overall project scope.

Project Name: **Monthly Water/Sewer Statements**
Bureau: **Water Bureau and Revenue Bureau**
Reporting Date: **7/15/2013**

	Initial Estimate at TOC Intake as of date: 12/2/2011	Planned at Baseline date: 6/29/12	Current Revision date: 4/15/2013	QA Assessment Red, Yellow, Green			TOC Assessment Red, Yellow, Green		
Expected Completion	June 1, 2012	January, 2013	October, 2013	May	Jun	Jul	May	June	July
Confidence Level	Very Low	Low	Medium/Low	RED	RED	N/A	N/A	RED	YELLOW
Budget	$100,000	$160,000	$270,000	YELLOW	YELLOW	N/A	N/A	YELLOW	GREEN
Confidence Level	Low	Low	High						
Scope Stability Confidence Level	Very Low	High	High	GREEN	GREEN	N/A	N/A	GREEN	GREEN

* July QA is N/A because the project did not have a QA report this month. The project is saving their QA budget for the final report.
* May is N/A because the TOC met with the Chief Procurement Officer for this meeting in lieu of discussing TOC projects.

Project name: **Affordable Housing Software**
Bureau: Portland Housing Bureau (PHB)

Project Description:
PHB contracted with Housing Development Software (HDS), Inc. to implement a solution that will provide a single data repository for the City's affordable housing programs. This effort will replace disparate systems with a modern and effective single core system, allow for data-entry efficiencies, reduce overall costs and also improve access to data and reporting tools.

Status: The TOC has concerns with the lingering delays on this project.

Major Accomplishments this Quarter:
- Project completion has been delayed due to glitches in the loan amortization schedules.
- Funds Management, Single-Family, and Multi Family & Asset Management modules are all fully implemented.
- The City has met several times with the vendor to discuss options for how loans were tracked in the old system (which offered more flexibility) compared to how they will be set up in the new system. This required some policy decisions by the bureau.
- PHB has made good progress in changing its business processes to meet the HDS loan servicing system requirements.
- PHB is testing the conversion plan on a sub-set of loans in the test environment to identify system limitations and issues.
- PHB and EBS staff are completing final testing of the SAP accounts payable interface and are beginning testing on the general ledger interface.

Upcoming Milestones next Quarter:
- Finish analysis and testing of PHB loans to successfully move loan data to HDS – Aug.
- Central Accounting sign-off of loan conversion plan – Aug.
- Loan Servicing module cutover – Sept 1, 2013.

Risks, Concerns, Comments from TOC:
- Timeline: Go-live of the Loan Servicing module was originally scheduled for October 2012, then changed to January, then May, and is now scheduled for Sept 1, 2013. The TOC has low confidence in this deadline, given the project's history.
- Budget: Project is currently about $80,000 under budget. Although the project is not incurring any additional costs to the vendor, a lot of PHB staff time has been spent testing patches and converting data. The TOC recommends that an estimate of internal labor costs be included in the 90 day post implementation report.
- Risks: If the project continues to delay, the old system (Midas) becomes unsupported in Dec. 2013 with the Windows XP upgrade.
- Lack of QA: The QA contract was completed back in Dec. 2012 when the project was expected to finish. The TOC has recommended re-engaging a QA firm if the Sept. deadline is not met. QA will be needed to complete the 90 day post implementation report to document lessons learned.

Project Name: **Portland Housing Bureau Information System**
Bureau: **Portland Housing Bureau**
Reporting Date: **7/15/2013**

	Initial Estimate at TOC Intake as of date: 11/1/2011	Planned at Baseline date: 1/15/2012	Current Revision date: 4/1/2013	QA Assessment Red, Yellow, Green	TOC Assessment Red, Yellow, Green		
Expected Completion	6/30/2012	9/30/2012	9/1/2013	*N/A QA engagement has ended*	May	Jun	Jul
Confidence Level	High	Medium	Low		N/A	🟨	🟥
Budget	$836,484	$836,484	$836,484		N/A	🟨	🟨
Confidence Level	High	High	High				
Scope Stability Confidence Level	High	High	High		N/A	🟨	🟨

* May is N/A because the TOC met with the Chief Procurement Officer for this meeting in lieu of discussing TOC projects.

Exhibit A

Project name: **Enterprise Network Technology Refresh**
Bureau: Bureau of Technology Services (BTS)

Project Description:
BTS maintains the City's enterprise data network that supports data and voice communications between servers, applications, computers, and the internet. This network is critical to the daily functioning of most City services, including public safety. The current network was designed and implemented in 2005, and both hardware and software need to periodically be replaced to maintain vendor support and meet performance and reliability standards. This project will replace all of the current network equipment over a five year period.

Status: Project is currently meeting expectations.

Major Accomplishments this Quarter:
- Communications Center P-Series networks are up and testing is in progress.
- High speed WAN (IRNE, INET) migration to new network is complete.
- Nexus network services layer has been implemented, including new firewalls and DMZ. Awaiting migration with BTS Information Security staff.
- Internet connectivity has been migrated to the new network.
- Installation of PCI WAN switches, which were at end of vendor support is complete.

Upcoming Milestones next Quarter:
- Migrate F5 load balancers and DMZ servers to new network services layer, which are dependent on BTS Information Security staff resources – Aug.
- Begin planning for access switch replacements for next year's BTS budget – Fall 2013.
- Purchase and install equipment in City Hall, 1900 Building and other City locations – 2013-2016.

Risks, Concerns, Comments from TOC:
- Overall, the project is on schedule and under budget.
- The majority of this project is a routine migration with the most risk in the early phase, such as building the core and the City's server migrations. The TOC agreed to provide oversight for the first three milestones, which are now almost all complete.
- Timeline: The project was originally scheduled to complete this first phase in July. Some equipment was delayed, which caused the schedule to slip by one month. This accounted for the TOC's yellow assessment in June.
- QA: The TOC suggested QA provide quarterly reports rather than monthly to use funds most effectively. The final quarterly report was originally due in July, but since the project timeline slipped by one month, the QA report was moved to Aug. to capture the completion of the project.

Project Name: **Enterprise Technology Refresh Project**
Bureau: **Bureau of Technology Services**
Reporting Date: **7/15/2013**

	Initial Estimate at TOC Intake date: 06/01/2012	Planned at Baseline date: 09/01/2012	Current Revision as of date: 07/08/2013	QA Assessment Red, Yellow, Green	TOC Assessment Red, Yellow, Green		
Expected Completion	07/01/2013	07/13/2013	08/5/2013	*QA assessment performed quarterly, last assessment 3/2013*	May	Jun	Jul
Confidence Level	High (80%)	Very High (95%)	High 85%		N/A		
Budget	$500,000.00	$500,000.00	$491,207.00		N/A		
Confidence Level	High (80%)	High (85%)	Very High (95%)				
Scope Stability Confidence Level	High (75%)	Very High (85%)	Very High (90%)		N/A		

* May is N/A because the TOC met with the Chief Procurement Officer for this meeting in lieu of discussing TOC projects.

Project name: **Office 365**
Bureau: Bureau of Technology Services (BTS)

Project Description:
This project is responsible for migrating all City computers to Microsoft Office 365. The City currently uses MS Office 2003, which Microsoft will no longer support after April 2014. Migrating to the cloud-based Office 365 will save approximately $1.2 million over 5 years and provide more disaster recovery options and larger email storage.

Status: Project is meeting expectations, but the TOC is monitoring closely.

Major Accomplishments this Quarter:
- 300 Office 365 pilot licenses were purchased.
- The contract with the vendor was signed; kickoff meeting was held mid-June 2013.
- Quality assurance vendor for the project was selected (CASE and Assoc.).
- Application testing plan is complete and a virtual test environment has been set up.

Upcoming Milestones next Quarter:
- Complete detailed project plan and schedule – end of July/early Aug. 2013.
- Create training and communications plans – Aug. 2013.
- Installation and configuration of the migration environment set up – Aug. 2013.
- Complete the migration of 300 pilot users – Oct. 2013.

Risks, Concerns, Comments from TOC:
- Timeline: The TOC believes the migration timeline is aggressive, with completion targeted for April 2014. With support from Microsoft ending in April 2014, there are very few project alternatives.
- Risks: The project has already identified some known issues and dependencies, which the TOC is monitoring, including needed infrastructure and Windows 7 upgrades that need to be completed prior to Office 365.
- Overall: The TOC rated this project yellow since it's a complex project and it's still early on. The TOC will be closely monitoring progress given the relatively short timeline.

Exhibit A

Project Name: **Office 365 Project**
Bureau: **Bureau of Technology Services**
Reporting Date: **7/15/2013**

	Initial Estimate at TOC Intake as of date: 03/20/2013	Planned at Baseline date: baseline in development	Current Revision *(if applicable)* date: <xx/xx/xxxx>	QA Assessment Red, Yellow, Green	TOC Assessment Red, Yellow, Green		
Expected Completion	4/1/2014				**May**	**Jun**	**Jul**
Confidence Level	High			*QA selection in progress*	N/A		
Budget	$1,225,000				N/A		
Confidence Level	Med						
Scope Stability Confidence Level	High				N/A		

* May is N/A because the project first started monthly reporting to the TOC in June 2013.

Project name: **City Risk Information Solution Connection (RISC)**
Bureau: Bureau of Internal Business Services.

Project Description:
The existing Risk Management data system is out of compliance with the City's technology standards and is becoming increasingly difficult to support and maintain. This project replaces several existing independent systems with one integrated system that will support key business activities, increase effectiveness through integrated data management, increase efficiencies and automation, and implement best practices. This project was originally assessed in Winter 2012 as not requiring TOC oversight, but due to increased risks and delays, the project joined the TOC portfolio in June 2013.

Status: The TOC is concerned about the project timeline and the impact of delays.

Major Accomplishments this Quarter:
- Project manager was hired May 2013.
- Master project plan was completed.
- QA vendor was selected (Online Business Systems); first assessment report will be presented at Sept. TOC meeting.
- The four SAP interfaces are still in process.
  - HR interface test phase started.
  - Vendor interface functional specs are being revised and tested in sandbox.
  - AP interface complexities are being worked out, and draft AP invoice request functional specs are completed.
- The Sept. timeline was revised to Dec. 2013 as the new go-live date.

Upcoming Milestones next Quarter:
- SAP interfaces upcoming milestones:
  - Obtain final approval of revised vendor functional specs.
  - Completion of HR interface sandbox.
  - Completion and approval of AP functional specs.
  - AP interface work estimated.
  - SAP interfaces developed in sandboxes.

Risks, Concerns, Comments from TOC:
- Timeline: The Sept. 2013 deadline is not going to be met, and it seems like the revised Dec. 2013 timeline still has low confidence of being met by the project team. The deadline is technically listed as being re-estimated on the below dashboard.
- Budget: None of the budget costs include City staff labor. The more delays, the more staff time is being spent on this project, in addition to hiring a project manager.
- Scope: Part of the delays are determining the functional specifications of the SAP interfaces. The TOC rated this as yellow due to its contributing factor on the timeline.
- Risk: EBS and BTS staff resources working on the SAP interfaces are currently under heavy workload with competing demands. The interface development and testing has been very complex and time consuming.
- Risk: If the project is not completed by end of 2013, a large expense could be incurred to support the current Risk system on the Windows XP upgrade, which is being driven by the Office 365 project.

Exhibit A

Project Name: **RISC Project**
Bureau: **Bureau of Internal Business Services**
Reporting Date: **7/15/2013**

	Initial Estimate at TOC Intake as of date: 1/9/12	Planned at Baseline date: 11/15/12	Current Revision date: 7/15/13	QA Assessment Red, Yellow, Green	TOC Assessment Red, Yellow, Green		
Expected Completion	4Q-2012	9/17/13	Being re-estimated		May	Jun	Jul
Confidence Level	High	High	Low	*QA selection in progress*	N/A	🟥	🟥
Budget	$448,150	$448,150	$518,150		N/A	🟨	🟨
Confidence Level	High	High	High				
Scope Stability Confidence Level	High	High	High		N/A		

* May is N/A because the project first started monthly reporting to the TOC in June 2013.

Project name: **Procurement Solicitation System**
Bureau: Bureau of Internal Business Services.

Project Description:
Procurement Services is outgrowing their current solicitation system, which doesn't offer a cost-effective solution or the functionality required by the City. Procurement is planning to replace and integrate three systems into one and add functionality that will allow electronic RFP submissions. Two systems that meet the City's needs have been identified and they are exploring the option of purchasing these through an existing government cooperative agreement, rather than via RFP.

Status: Project is currently meeting expectations.

Major Accomplishments this Quarter:
- Two systems that meet the City's need have been identified (SciQuest and BuySpeed).
- Both of these systems have given product demos to Procurement and BTS staff.
- A BTS project manager has been assigned to this project.
- A consulting contract with Delaris LLC has been established for mapping the business processes within Procurement Services. Defining the business processes and potential process improvements will help Procurement write a better contract for the solicitation system with clearer specifications.

Upcoming Milestones next Quarter:
- Conduct business process mapping – Fall 2013.
- BTS project review and validation of project scope – Fall 2013.
- Select a solidification system – Winter 2013-14.
- System implementation – Spring 2014.

Risks, Concerns, Comments from TOC:
- The TOC has not discussed this project beyond its initial project introduction. There are no concerns at this time.

	Initial Estimate at TOC Intake as of date: 05/09/13	**Planned at Baseline** date: 6/17/13	**Current Revision** date: <xx/xx/xxxx>	**QA Assessment**	**TOC Assessment**
Expected Completion	May 2014	May 2014		*QA will be brought in for system solicitation & implementation phase*	*TOC has not yet rated this project*
Confidence Level	Medium	Medium			
Budget	$200,000 - $250,000	$200,000 - $250,000			
Confidence Level	Low	Low			
Scope Stability Confidence Level	Medium	Medium			

Other Project Briefings:

There were several projects that came before the TOC this quarter that don't necessitate ongoing monthly review in the TOC portfolio at this time. These projects presented brief overviews so the TOC would be aware of these projects.

Update to Payment Gateway

The Payment Gateway is a payment processing platform developed by the Bureau of Technology Services that provides payment processing services for a variety of City business functions. Since initial deployment in the mid-2000's, the volume and scope of City payment processing needs has greatly expanded. Outside factors such as maturing vendor platforms, the emergence of payment security standards, and new payment methods are reasons for BTS to revalidate the City's approach to payment processing. OMF is undertaking an effort to assess the marketplace for services, with the goal of providing the City with enough functional and financial information to develop a roadmap for City future payment processing. An RFP is currently in development with an estimated publishing date of 9/1/2013. The project welcomes any TOC members to be part of the RFP evaluation committee.

Technology Assessment Overview

In response to increased technology needs and declining funding, the Bureau of Technology Services is leading a Citywide technology assessment. The deliverables of the project are a comprehensive Citywide inventory of technology services, applications, hardware and IT staffing, along with targeted $1.1 million in on-going savings from operating efficiencies, lower costs, and increased automation. A consulting contract has been awarded to Sierra Systems, Inc. with preliminary recommendations to City Council estimated for December 2013.