

Oakland County Department of Information Technology Project Scope and Approach

Project Name: Reimbursement Div- Legacy System Replacement Project ID: DA8127RM

- Setup and attend presentation of the software from finalists
- Select a new Reimbursement System
- Manage implementation

Alternative Business Objective

Internally program a replacement system

Major Deliverables

- Documentation of current System functionality
- Documentation of additional system requirements
- Development plan
- New software system

Approach

- Review and document the current system functionality
- Identify / Document additional requirements
- Programming of replacement system / project management
- Testing of replacement system
- Go Live of replacement system

Benefits

- Implementation of a workflow-enabled, imaging-enabled, VRU-interfaced, relational database-driven packaged and vendor supported replacement to a 19 year old COBOL-based legacy system
- Replace outdated mainframe system / technology
- Eliminate costly support of mainframe / software

Improved Service

- More timely response to customer inquiries
- Automated response to / for FAQs
- Electronic payment and collections

Product/Service

Productivity

- Reduction in staff time
- Enhanced, more timely reporting
- Elimination of manual shadow systems
- Increased end-user efficiency via automation of manual tasks and follow through

**Oakland County
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efforts

- Early and enhanced collection of revenues
- Significant reduction in IT support costs
- Adherence to County technology standards

Impact

Number of Users

37, excluding IT staff

Divisions

Reimbursement Division

Leadership Groups

Finance/Admin

Risk

Business Environment Medium – Project requires some changes to existing business process

Technical Environment Medium – Previously Implemented technologies, new requirements

Assumptions

Staffing Resources will be available for the hours indicated per the attached project plan.
The following roles and resources' availability will be as follows:

<u>Role:</u>	<u>Name</u>	<u>Hours per Day</u>
Project Sponsor:	Laurie Vanpelt	
Project Director:	Judi Lockhart	

Facilities

N/A

Technical

N/A

Funding

- Information Technology Funding

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Other

- Work effort estimated is based on the availability of a packaged solution.

Priority

Constraints

- Availability of functionally acceptable packaged software
- Alternatively, availability of programming staff to develop the system in-house
- Availability of funding

Exclusions

**Oakland County
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PROJECT PHASE AUTHORIZATION

Phase(s): Project management, Project Planning & contro, Business Area Req – Preliminary estimate		
Total Estimated Application Services	Hours: 480	Cost: \$58,560
Total Estimated Technical Systems	Hours: 20	Cost: \$1220
Total Estimated eGovernment Services	Hours:	Cost:
Total Estimated CLEMIS	Hours:	Cost:
Total Estimated Internal Services	Hours:	Cost:
IT Application Services Division Manager Approval:		Date:
IT Technical Systems Division Manager Approval:		Date:
IT eGovernment Services Division Manager Approval:		Date:
IT CLEMIS Division Manager Approval:		Date:
IT Internal Services Division Manager Approval:		Date:
IT Management Approval:		
Approved: Yes No		Date:
Reason:		
Project Sponsor Approval:		
Title:		Date:

PROJECT SUMMARY

Authorized Development (see above)	Hours:	Cost:
Preliminary Estimated Development for Future Phases	Hours: 500	Cost: \$59,780
Grand Total Estimated Development	Hours:	Cost:

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PROJECT COMPLETION AUTHORIZATION

Customer Acceptance of Product:	
Title:	Date:
Project Office Review:	
	Date:

Open Workbench - [Reimbursement Div. - Legacy System Replacement - Size Estimate (+/- 10% to 50%)]

Type	ID	Task Name	Estimated Hours	Estimated Cost	Estimate Notes
Phase	000000	PROJECT MANAGEMENT	109	\$13,298.00	Sized for Third Party Product implementation
Phase	0000001	PROJECT PLANNING AND CONTROL	24	\$2,928.00	
Phase	010000	INITIAL SURVEY			
Phase	030000	BUSINESS AREA REQUIREMENTS	367	\$43,554.00	
Phase	040000	BUSINESS SYSTEM DESIGN			
Phase	050000	TECHNICAL DESIGN			
Phase	060000-0	PROGRAMMING			
Phase	070000	IMPLEMENTATION			
Phase	080000	POST IMPLEMENTATION SUPPORT			
			500	\$59,780.00	

For Help, press F1 Task Type not equal to Milestone NUM

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DA8127RM - Reimbursement Div. - Legacy System Replacement

3.1 - Provide an Enhanced Application Service Offering

- 3.1.1 - Increase application integration through web services
- 3.1.2 - Research and develop a Constituent Relationship Management (CRM) strategy
- 3.1.3 - Promote mobility and location integration in business applications
- 3.1.4 - Utilize ecommerce platform to offset costs and expand product offerings to customers
- 3.1.5 - Improve the quality, reliability and availability of all applications
- 3.1.6 - Increase the agility and responsiveness of business units by expanding customer analytics
- 3.1.7 - Leverage the County's Internet presence and portal as a branded consolidated point of access to all County information and services through a web browser
- 3.1.8 - Centralize identity and access management for all applications and content

3.2 - Enhance ability to provide effective and timely customer (County departments and CVTs) service

- 3.2.1 - Implement a centralized service center strategy to provide a single point of contact for service delivery
- 3.2.2 - Implement the IT Infrastructure Library (ITIL) best practice framework for IT Service Management
- 3.2.3 - Define a service and support strategy that clearly identifies the IT service provided
- 3.2.4 - Provide a high-quality training program to empower employees through technology
- 3.2.5 - Develop a formalized customer communication plan
- 3.2.6 - Build IT Staff expertise through professional development
- 3.2.7 - Expand capacity through ongoing organizational review and selective outsourcing

3.3 - Implement a Standardized Infrastructure Strategy

- 3.3.1 - Deliver services using a shared technology infrastructure wherever possible
- 3.3.2 - Implement a Microsoft infrastructure strategy
- 3.3.3 - Implement a consolidated security strategy
- 3.3.4 - Establish a standard personal computing hardware and software product suite, SLA, and replacement schedule for all County personal computers
- 3.3.5 - Establish support cost model and SLA for all offerings outside 3.3.4
- 3.3.6 - Improve service availability through network design and management strategies
- 3.3.7 - Establish enhanced capacity planning and recovery management strategies

Oakland County
Reimbursement Div- Legacy System Replacement
 Return on Investment Analysis
 Project Summary

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Benefits/Savings:							
Tangible Benefits Subtotal:	25,000	25,000	25,000	25,000	25,000	25,000	150,000
Cost Avoidance Subtotal:	46,274	47,653	49,074	50,537	52,044	53,596	299,177
<i>Annual Total Savings</i>	71,274	72,653	74,074	75,537	77,044	78,596	449,178
<i>Cumulative Total Savings</i>	71,274	143,928	218,001	293,538	370,582	449,178	449,178
Costs:							
Development Services Subtotal:		0	0	0	0	0	0
Hardware Subtotal:	0	0	0	0	0	0	0
Software Subtotal:	0	0	0	0	0	0	0
Infrastructure Subtotal	145,000	14,500	14,500	14,500	14,500	14,500	217,500
Training Subtotal:	0	0	0	0	0	0	0
Other Subtotal:	0	0	0	0	0	0	0
<i>Annual Costs</i>	466,570	50,070	50,070	50,070	50,070	50,070	716,921
<i>Cumulative Costs</i>	466,570	516,640	566,711	616,781	666,851	716,921	716,921
Statistics:							
Annual Return on Investment	(395,296)	22,583	24,004	25,467	26,974	28,526	(267,744)
Cumulative Return on Investment	(395,296)	(372,713)	(348,709)	(323,243)	(296,269)	(267,744)	(267,744)
Annual Cost/Savings Ratio	654.61%	68.92%	67.60%	66.29%	64.99%	63.71%	
Cumulative Cost/Savings Ratio	654.61%	358.96%	259.96%	210.12%	179.95%	159.61%	159.61%
Year Positive Payback Achieved							NO PAYBACK
State or Federal Mandate?							
Signatures:							
Project Sponsor	Date: _____						
Information Technology Project Manager	Date: _____						
Technical Services Manager	Date: _____						

Oakland County
Reimbursement Div- Legacy System Replacement
 Return on Investment Analysis
 Savings Detail

Benefit/Savings Description	Project Savings Category	Budget Category/Funding Source	Unit Desc	Units	Rate per Unit	Total Savings	Annual Multiplier
Report modifications/new reports/misc. programming/other requests not submitted to IT (assume 0.5 FTE savings)	Tangible Benefit	Account: 12 701200 34000 6030	ANN	0	0	0	1.030
Employee hours redirected from phone/counter customer service to enforcement activities due to use of web portal and VRU technologies (assume 0.25 FTE savings)	Cost Avoidance	Account: 12 701200 2001 Salaries	ANN	520	34	17,680	1.030
Increased revenue from enhanced enforcement/collections activities	Tangible Benefit	35 130000 23100 0401, Court Costs; 35 130000 23200 0849, Attorney Fees; 35 142293 33000 0315, Juvenile Board and Care;12 701100 31000 0253, Offset fee for Juvenile Board and Care	ANN	1	25,000	25,000	1.000
Accelerated collections via ACH and expedited electronic invoicing	Cost Avoidance		ANN	1	306	306	1.000
Semi-automation of the effort expended on posting charges to client accounts (assume 0.4 FTE savings)	Cost Avoidance		ANN	832	34	28,288	1.030
						0	
Total:						0	

Oakland County
Reimbursement Div- Legacy System Replacement
 Return on Investment Analysis
 Savings Detail

Benefit/Savings Description	Project Savings Category	Affects Project ROI?						Potential Savings Extensions								
		Y1	Y2	Y3	Y4	Y5	Y6	Y1	Y2	Y3	Y4	Y5	Y6			
Report modifications/new reports/misc. programming/other requests not submitted to IT (assume 0.5 FTE savings)	Tangible Benefit															0
Employee hours redirected from phone/counter customer service to enforcement activities due to use of web portal and VRU technologies (assume 0.25 FTE savings)	Cost Avoidance	x	x	x	x	x	x	17,680	18,210	18,757	19,319	19,899	20,496		114,361	
Increased revenue from enhanced enforcement/collections activities	Tangible Benefit	x	x	x	x	x	x	25,000	25,000	25,000	25,000	25,000	25,000	25,000	150,000	
Accelerated collections via ACH and expedited electronic invoicing	Cost Avoidance	x	x	x	x	x	x	306	306	306	306	306	306	306	1,838	
Semi-automation of the effort expended on posting charges to client accounts (assume 0.4 FTE savings)	Cost Avoidance	x	x	x	x	x	x	28,288	29,137	30,011	30,911	31,838	32,794		182,978	
															0	
Total:								71,274	72,653	74,074	75,537	77,044	78,596		449,178	

Oakland County
Reimbursement Div- Legacy System Replacement
 Return on Investment Analysis
 Savings Summary

Benefit/Savings Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Tangible Benefit:							
Report modifications/new reports/misc. programming/other requests not submitted to IT (assume 0.5 FTE savings)							
Increased revenue from enhanced enforcement/collections activities	25,000	25,000	25,000	25,000	25,000	25,000	150,000
<i>Tangible Benefits Subtotal:</i>	25,000	25,000	25,000	25,000	25,000	25,000	150,000
Cost Avoidance:							
Employee hours redirected from phone/counter customer service to enforcement activities due to use of web portal and VRU technologies (assume 0.25 FTE savings)	17,680	18,210	18,757	19,319	19,899	20,496	114,361
Accelerated collections via ACH and expedited electronic invoicing	306	306	306	306	306	306	1,838
Semi-automation of the effort expended on posting charges to client accounts (assume 0.4 FTE savings)	28,288	29,137	30,011	30,911	31,838	32,794	182,978
<i>Cost Avoidance Subtotal:</i>	46,274	47,653	49,074	50,537	52,044	53,596	299,177
Savings Total:	71,274	72,653	74,074	75,537	77,044	78,596	449,178

Oakland County
Reimbursement Div- Legacy System Replacement
 Return on Investment Analysis
 Cost Detail

Cost Description	Project Cost Category	Budget Category/Funding Source	Unit Desc	Units	Rate per Unit	Total Cost	Annual Multiplier	Affects Project ROI?							
								Y1	Y2	Y3	Y4	Y5	Y6		
IT Hours - CS and New Enhancemnts	Development Svcs		HRS	0	122	0									
IT Hours - System Maintenance	Development Svcs				122	0									
IT Hours - New Development	Development Svcs		HRS	490	122	59,780		x							
IT Hours - New Development			HRS	0	122										
IT Hours - Network System	Development Svcs		HRS	10	122	1,220		x							
Contractor Professional Services	Development Svcs		HRS	0	86	0		x							
PC System - Acquisition	Hardware					0									
PC System - Maintenance	Hardware				2,304	0									
Notebook - Acquisition	Hardware					0									
Notebook - Maintenance	Hardware				2,372	0									
Mini Notebook - Acquisition	Hardware					0									
Mini Notebook - Maintenance	Hardware				2,196	0									
Laserprinter 1 - Acquisition	Hardware					0									
Laserprinter 1 - Maintenance	Hardware				1,104	0									
Laserprinter 2 - Acquisition	Hardware					0									
Laserprinter 2 - Maintenance	Hardware				1,208	0									
Laserprinter 3 - Acquisition	Hardware					0									
Laserprinter 3 - Maintenance	Hardware				1,860	0									
Image Workstations - Acquisition	Hardware					0									
Image Workstations - Maintenance	Hardware				3,496	0									
Terminals - Acquisition	Hardware					0									
Terminals - Maintenance	Hardware				644	0									
PRTR w/TERM ID - Acquisition	Hardware					0									
PRTR w/TERM ID - Maintenance	Hardware				1,072	0									
PRTR w/o TERM ID - Acquisition	Hardware					0									
PRTR w/o TERM ID - Maintenance	Hardware				1,072	0									
PC Maintenance User Owned	Hardware				2,304	0									
Printer Maintenance User Owned	Hardware				1,072	0									
Package Software - Acquisition	Software		EA	1	250,000	250,000		x							
Package Software - Maintenance	Software		ANN	1	25,000	25,000			x	x	x	x	x	x	
Business Objects Access	Software		EA	2	5,285	10,570		x	x	x	x	x	x	x	
Term Emulation SFTW-Acquisition	Software					0									
Term Emulation SFTW-Maintenance	Software					0									
Server - Acquisition/Upgrade	Infrastructure		EA	2	10,000	20,000		x							
Server - Maintenance	Infrastructure		ANN	2	1,000	2,000			x	x	x	x	x	x	
Server Sftwre - Acquisition/Upgrade	Infrastructure					0									

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 Cost Detail

Cost Description	Project Cost Category	Budget Category/Funding Source	Unit Desc	Units	Rate per Unit	Total Cost	Annual Multiplier	Affects Project ROI?							
								Y1	Y2	Y3	Y4	Y5	Y6		
Server Sftwre - Maintenance	Infrastructure					0									
Oracle Licenses	Infrastructure		EA	1	50,000	50,000		x							
Oracle Maintenance	Infrastructure		ANN	1	5,000	5,000			x	x	x	x	x	x	
VRU	Infrastructure		EA	1	75,000	75,000		x							
VRU Maintenance	Infrastructure		ANN	1	7,500	7,500			x	x	x	x	x	x	
Internet Access	Infrastructure				180	0									
Project Staff Training	Training					0									
User Training	Training					0									
						0									
Total:						0									
						0									
						0									
						0									

Oakland County
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 Return on Investment Analysis
 Cost Detail

Cost Description	Project Cost Category	Potential Cost Extensions					
		Y1	Y2	Y3	Y4	Y5	Y6
IT Hours - CS and New Enhancemnts	Development Svcs						
IT Hours - System Maintenance	Development Svcs						
IT Hours - New Development	Development Svcs	59,780					
IT Hours - New Development							
IT Hours - Network System	Development Svcs	1,220					
Contractor Professional Services	Development Svcs	0					
PC System - Acquisition	Hardware						
PC System - Maintenance	Hardware						
Notebook - Acquisition	Hardware						
Notebook - Maintenance	Hardware						
Mini Notebook - Acquisition	Hardware						
Mini Notebook - Maintenance	Hardware						
Laserprinter 1 - Acquisition	Hardware						
Laserprinter 1 - Maintenance	Hardware						
Laserprinter 2 - Acquisition	Hardware						
Laserprinter 2 - Maintenance	Hardware						
Laserprinter 3 - Acquisition	Hardware						
Laserprinter 3 - Maintenance	Hardware						
Image Workstations - Acquisition	Hardware						
Image Workstations - Maintenance	Hardware						
Terminals - Acquisition	Hardware						
Terminals - Maintenance	Hardware						
PRTR w/TERM ID - Acquisition	Hardware						
PRTR w/TERM ID - Maintenance	Hardware						
PRTR w/o TERM ID - Acquisition	Hardware						
PRTR w/o TERM ID - Maintenance	Hardware						
PC Maintenance User Owned	Hardware						
Printer Maintenance User Owned	Hardware						
Package Software - Acquisition	Software	250,000					
Package Software - Maintenance	Software		25,000	25,000	25,000	25,000	25,000
Business Objects Access	Software	10,570	10,570	10,570	10,570	10,570	10,570
Term Emulation SFTW-Acquisition	Software						
Term Emulation SFTW-Maintenance	Software						
Server - Acquisition/Upgrade	Infrastructure	20,000					
Server - Maintenance	Infrastructure		2,000	2,000	2,000	2,000	2,000
Server Sftwre - Acquisition/Upgrade	Infrastructure						

Oakland County
Reimbursement Div- Legacy System Replacement
 Return on Investment Analysis
 Cost Detail

Cost Description	Project Cost Category	Potential Cost Extensions					
		Y1	Y2	Y3	Y4	Y5	Y6
Server Sftwre - Maintenance	Infrastructure						
Oracle Licenses	Infrastructure	50,000					
Oracle Maintenance	Infrastructure		5,000	5,000	5,000	5,000	5,000
VRU	Infrastructure	75,000					
VRU Maintenance	Infrastructure		7,500	7,500	7,500	7,500	7,500
Internet Access	Infrastructure						
Project Staff Training	Training						
User Training	Training						
Total:		466,570	50,070	50,070	50,070	50,070	50,070

Oakland County
Reimbursement Div- Legacy System Replacement
 Return on Investment Analysis
 Cost Summary

Cost Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Development Services:							
IT Hours - CS and New Enhancements							
IT Hours - System Maintenance							
IT Hours - New Development	59,780						59,780
User Hours - New Development	1,220						1,220
Contractor Professional Services	0						
<i>Development Services Subtotal:</i>	61,000						61,000
Hardware:							
<i>Hardware Subtotal:</i>							
Software:							
Package Software - Maintenance		25,000	25,000	25,000	25,000	25,000	125,000
Package Software - Acquisition	250,000						250,000
Business Objects Access	10,570	10,570	10,570	10,570	10,570	10,570	63,421
<i>Software Subtotal:</i>	260,570	35,570	35,570	35,570	35,570	35,570	438,421
Infrastructure:							
Server - Acquisition/Upgrade	20,000						20,000
Server - Maintenance		2,000	2,000	2,000	2,000	2,000	10,000
Oracle Licenses	50,000						50,000
Oracle Maintenance		5,000	5,000	5,000	5,000	5,000	25,000
VRU	75,000						75,000
VRU Maintenance		7,500	7,500	7,500	7,500	7,500	30,000
<i>Infrastructure Subtotal</i>	145,000	14,500	14,500	14,500	14,500	14,500	217,500
Training:							
<i>Training Subtotal:</i>							
Other:							
<i>Other Subtotal:</i>							
Costs Total:	466,570	50,070	50,070	50,070	50,070	50,070	716,921

