Information Technology Capital Investment Program

Project Status Report

To: Information Technology Strategy and Investment Committee
     John Vittner, Office of Policy and Management

From: Liz Ryder, Project Manager

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Agency: Department of Revenue Serv

Project: Scanning, Imaging, Workflow

Project Manager: Liz Ryder

Reporting Period: Project Inception through 12/

Total Funds Requested: $5,220,000

Total Funds Allotted to Agency: $5,220,000

Accumulative Total Capital Fund Expenditures to Date: $4,815,952

Brief Project Description/Summary:

The Department of Revenue Services (DRS) has embarked on an Enterprise Content Management (ECM) initiative that will provide (1) scanning and imaging, (2) FileNet conversion and (3) document management. The deliverables for ECM scanning and imaging will replace existing outdated and obsolete remittance and data entry equipment and enable streamlined processes. Such a system would allow DRS to convert paper checks, returns, and correspondence into digital-only format. This will enable better revenue processing, improved communications with taxpayers regarding the status of tax returns, control access to such information, route business processes through our imaging data (enhanced workflow), and adopt document retention schedules as set forth by the Office of Public Records Administrator (OPRA).

Summary of Progress Achieved to Date:
ECM STATUS - BY PHASE
Phase   Related to: Status
1a1   High Priority - Global Issue High Impact all Phases   Done
1a2   Coupons (R Notices), 2016 1040ES, 2016 1041ES, 2015 1040V, Quick Reports   Done
1b   2016 CT-941   Done
1c   SUT/BUT (Periods 2/2016 - 7/1/2011)   Done
1d1   2017 - 1040ES, 2017 - 1041ES, 2017 - 941; 2016 - 1040V, 2015 & 2016 - 1041V, OP-424 (Current - 2004)   Done
1d2   2016 CT-1040EXT   Done
1d2   CT-1040, CT-WH, CT-6251, CT-CHET, CT-EITC, CT-IT, CT-1040EXT   Done
1d3   CT-1040NRPY   Done
1d4   CT-1040X (2012 - 2016), CT-1120EXT (2013 - 2016), CT-1041EXT (2014 - 2016), CT-PSCEXT (2013 - 2016)   Done
1e1   Deposit Only   Done
2a   O-255, CT-15, CT-15A, CT-30, OP-216, OP-161, OP-300, CT-706/709, CT-706/709 EXT   Done
2b   OP-374, CT-1041, CT-1041FA, CT-1041C, 115RRG, 115NIN, CT-W3, CT-W3 HHE, CT-1096, CT-1096 ATHEN, CT-945, CT-945 ATHEN, CT-941X, CT-941HHE   Done

CT-945 ATHEN, CT-941X, CT-941HHE   Done

2017 Roll-Over   2017 Rollover ~ Legislative Change Implementation

    CT-1040ES, CT-1040EXT, CT-1040, CT-1040NRPY, CT-EITC, CT-CHET,
    CT-IT, CT-WH, CT-6251, CT-1040V,
    CT-1120EXT, CT-PSCEXT, OS-114SUT, OS-114BUT
    CT-1041ES, CT-1041V, CT-1041EXT,
    CT-941, CT-W3, CT-W3 HHE, CT-1096, CT-1096 ATHEN,
    CT-945, CT-945 ATHEN, CT-941X, CT-941HHE
    CT-15, CT-15A, OP-300
    CT-1040X, CT-1041, CT-1041FA, CT-1041C   Done

2c   CT-1120ESA, CT-1120ESB, CT-1120ESC, CT-1120ESD, CT-1120X, CT-1120CR, CT-1120, CT1120K, CT-1120U,
    CT-1065/1120SI CT-1120A, CT-1120ATT   Done
3a   AU-724, AU-725, AU-736, AU-737, AU-738, AU-741   Done
3b   OP-153, OP-383, OP-210, OP-337, O-MF, O-MF1, 207, 207ES, 207EXT, 207K, 207F, 207FES, 207FEXT
    207C EXT, 207HCC, 207HCC ES, 207HCC EXT   Done
3c   CT-990T, CT-990TES, CT-990TEXT, CT-1120CU, CT-1120CU-NI, CT-1120CU-NCB, CT-1120A-CU, CT-1120CU-MTB,
    O-372, FORM 472, AU-330, OP-236   Done3d   COUPONS (MULTIS), CHECK ONLY (VIRTUAL VOUCHER)   Done

2018 Rollover   2018 Forms Rollover ~ Update for Current Year and Legislative Changes

    CT-1040ES, CT-1040EXT, CT-1040, CT-1040NRPY, CT-EITC, CT-CHET,
    CT-IT, CT-WH, CT-6251, CT-1040V, CT-1040X,
    CT-1120EXT, CT-1120ES, CT-1120,
    CT-1065/1120SIES, CT-1065/1120SIEXT, CT-1065/1120SI, Schedule AB, Schedule CE
    OS-114 SUT, OS-114 BUT, OP-186
    CT-1041ES, CT-1041V, CT-1041EXT, CT-1041, CT-1041FA, CT-1041C
    CT-941, CT-W3, CT-W3 HHE, CT-1096, CT-1096 ATHEN,
    CT-945, CT-945 ATHEN, CT-941HHE
    CT-15, CT-15A, OP-300, 115NIN, 115RRG,
    CT-1120, CT-1120A, CT-1120ATT, CT-1120ES, CT-1120K, CT-1120X, CT-1120CU
    FORM 207, FORM 207/207HCC EXT, FORM 207FES, FORM 207F, FORM 207FEXT, FORM 207FES, FORM
    207C EXT, FORM 207HCC, FORM 207HCC ESA
    OP-153, OP-383, O-255
    CT-990T, CT-990TES, CT-990TEXT   Done

2019 Rollover

    For 7/1/2019   OP-216, OP-153,
    CT-706/709, CT-706/709 EXT
    OR-204, REG-10, O-252,   Done

1/13/2020   2019 Forms Rollover ~ Update for Current Year / Legislative Changes

    OS-114 SUT, FORM O-255
    CT-1040ES, CT-1040EXT, CT-1040, CT-1040NRPY, CT-EITC, CT-CHET,
    CT-IT, CT-WH, CT-6251, CT-1040V, CT-1040X,
    CT-1065/1120SIES, CT-1065/1120SIEXT, CT-1065/1120SI, Schedule AB, Schedule CE
    CT-1041ES, CT-1041V, CT-1041EXT, CT-1041, CT-1041FA, CT-1041C
    CT-941, CT-941HHE, CT-W3, CT-W3 HHE, CT-1096, CT-1096 ATHEN,
    CT-945, CT-945 ATHEN
    CT-15, CT-15A, OP-300, 115NIN, 115RRG,
    CT-1120EXT, CT-1120ES, CT-1120, CT-1120A, CT-1120ATT, CT-1120ES, CT-1120K, CT-1120X, CT-1120CU
    FORM 207, FORM 207/207HCC EXT, FORM 207FES, FORM 207F, FORM 207FEXT, FORM 207FES, FORM
    207C EXT, FORM 207HCC, FORM 207HCC ESA
    FORM OP-153, FORM OP-383, FORM 115RRG, FORM O-255

CT-990T, CT-990TES, CT-990TEXT   Done

Quick Web Edit Tool   Quick Web Edit Tool to allow for the ability to edit data captured information and images where errors are discovered by DRS staff or during ECM Quality Assurance review.   UAT

12/31/2020 Update

2020 Rollover

For Go Live
01/2021

2020 Forms Rollover ~ Update for Current Year
CT-1040ES, CT-1040EXT, CT-1040, CT-1040NRPY, CT-EITC, CT-CHET,
CT-IT, CT-WH, CT-6251, CT-1040V, CT-1040X,
CT-1065/1120SIES, CT-1065/1120SIEXT, CT-1065/1120SI, Schedules AB & CE
CT-1041ES, CT-1041V, CT-1041EXT, CT-1041, CT-1041FA, CT-1041C
CT-941, CT-941HHE, CT-W3, CT-W3 HHE, CT-1096, CT-1096 ATHEN,
CT-945, CT-945 ATHEN
CT-1120EXT, CT-1120ES, CT-1120, CT-1120A, CT-1120ATT, CT-1120ES,
CT-1120K, CT-1120X, CT-1120CU
FORM 207, FORM 207/207HCC EXT, FORM 207FES, FORM 207F, FORM 207FEXT, FORM 207FES,
FORM 207C EXT, FORM 207HCC, FORM 207HCC ESA
CT-990T, CT-990TES, CT-990TEXT, 115RRG

CTAX Phase 2 - rollout 2021

1. Corporation Business
2. Cigarette (Cigarette Distributor, Cigarette Manufacturer, Cigarette Dealer/Retailer, and Cigarette Floor Tax)
3. Income (Fiduciary, Partnership, and S-Corp)
4. Insurance Taxes (Domestic, Foreign, Healthcare Centers, Captive, Non-admitted, and Unauthorized)
5. Unrelated Business Income
6. Motor Vehicle Fuels (Gasoline/Gasohol, Special Fuels, and MF Floor Tax)
7. Petroleum Products Gross Earnings
8. Tobacco Products

CTAX Phase 3 - rollout - 2022

1. Attorney Occupational

2. Gift and Estate, Income (Individual)
3. Individual Use
4. Individual Income Tax
5. Controlling Interest Transfer
6. Real Estate Conveyance

CTAX Phase 4 - rollout 2023

1. Alcoholic Beverages (Alcoholic Floor Tax)

Issues and Risks:
Development and User Acceptance Testing will be completed prior to any migration to the ECM Production environment to minimize any potential issues on the forms already "live" and processed through the ECM system.

Next Steps & Project Milestones:

1. ECM development, testing, and migration for all tax returns requiring 2021 mid-year form changes and any possible Legislative Changes enacted during the 2021 Legislative Session.

2. Update ECM for CTAX Rollout 2 Forms being migrated in September 2021. (CTAX Project is an agency-wide, four phase IT modernization project)

ECM Process updated to include changes needed for the way payments and returns process through the current ECM system. CTAX is a transactional tax system and ITAS is a batch tax system. Therefore, specific changes are needed in ECM to change the way each tax type specific transaction processes as it is transitioned from ITAS to CTAX.

The changes needed for each phase of the CTAX implementation are as follows:

• Update ECM process to capture taxpayer ID and period the payment is for prior to the money being sent to bank. NOTE: CTAX processes the payment and return as separate and distinct pieces of a transaction whereas ITAS processes them as one transaction with the payment needing the return to tell it the taxpayer's id, tax type, and period to post to.

• Generation of 2nd Image Cash Letter (ICL) to BofA for CTAX payments. This will keep CTAX and ITAS payments in separate ICL to allow for better control.

• Generation of new Output Payment file in XML format for CTAX payments. This file will stitch together all CTAX payments in one file.

• Generation of new Output Return file in XML for each transaction (return, estimate, extension, voucher, etc.).

• Generation of image file for each Work Object which will be sent to CTAX and allow employees to view entire contents of transaction within CTAX system by clicking on a hyperlink.

• Update the current Patch Sheet process for CTAX to output the image file of the additional information and tie it to the transaction in CTAX. It will be able to be viewed with the transaction it is supporting.

• Multiples will be greatly improved with CTAX as the new system is able to handle all types of multiples (any number of returns and checks due to it being that it is transactional system. In depth development and testing will be performed to confirm the handling of any combination of returns and checks within one transaction.

3. 2021 Rollover ~ Go Live January 2022 – ECM development, testing, and migration to all tax returns requiring annual changes.

4. ECM development, testing, and migration for all tax returns requiring 2022 mid-year form changes and any possible Legislative Changes enacted during the 2022 Legislative Session.

5. Update ECM for CTAX Rollout 3 Forms being migrated in September 2022. (CTAX Project is an agency-wide, four phase IT modernization project)

ECM has processed **1,894,600** checks for **$5,556,124,491.23** as of close of business on January 8, 2021, through the ECM system since initial "Go Live" date of 11/16/2016.