I. Project Identification

Project Title: | Enterprise Content Management

Agency Name	**Agency Business Unit**
Department of Revenue Services	Information Services Department

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II. Project Details

A. Project Dates

Proposed Start Date (MM/DD/YYYY)	**Expected Completion Date** (MM/DD/YYYY)	**Project Duration** (in months)
3/1/2015	6/1/2017	27

B. **Project Description -** This information will be used for listings and report to the Governor and General Assembly on capital funded projects.

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 The deliverables for ECM scanning and imaging will replace existing outdated and obsolete remittance and data entry equipment and enable streamlined processes.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).

C. **Summary.**

Summary - Describe the high level summary of this project in plain English without technical jargon
The DRS is proposing an Enterprise Content Management (ECM) system to replace the existing equipment and applications to provide the capability to convert our paper documents into digital format. This would allow the DRS to function more efficiently and effectively better by faster processing of revenue and quickly accessing information for daily tasks and to interact with taxpayers. The DRS envisions ECM to be a sustainable change for the agency and will allow a complete experience for our taxpayers, improve our tax administration processes and better allocate personnel resources. DRS has planned this initiative with consultation with BEST, DAS, and others in order to accommodate ECM in the new DRS location at 450 Columbus Blvd in Hartford. The project will be piloted at the current DRS location. This project will protect the tax revenue stream by replacing older equipment and processes with new technologies and improved workflow.
Purpose – Describe the purpose of the project
The DRS has significant office space that is currently occupied by paper documents. We have a second building at 92 Farmington Ave that stores accumulated paper records. Work processes are delayed by the time necessary to scan paper to digital format through an outside vendor and then ship the information back to us so we can load it into our system after passing data checks. Our existing infrastructure includes three (3) Remittance Processors and a legacy data entry system (NIXDORF) that includes 14 data entry terminals. The ECM solution would allow the DRS to consolidate all of that paper into a digital medium. This project will enable process improvement and reduce tax revenue processing risk through technology upgrades and improved workflow.
Importance – Describe why this project is important
Currently checks, tax returns and correspondence are processed in a variety of ways. DRS has advanced electronic filing, utilizes outsource vendors and has internal processing capacity. However, in order to maintain the internal capacity, DRS must introduce new and secure technologies to handle the current and future paper and document demands. Paper processes are slower and result in significant business challenges for the DRS. Taxpayer data takes up to two months before it enters our tax systems, to which we cannot give our taxpayers a timely response as to where the tax return is at our agency. The DRS currently has several old technologies that this project will eliminate prior to moving into the new building. The infrastructure planning at the new building will accommodate this future state.
Outcomes – What are the expected outcomes of this project
Paper checks will be deposited more effectively and matched sooner with the taxpayer return. Taxpayer information will be updated quicker, enabling faster corrections and billings. Taxpayers will receive timely responses regarding the status of their tax returns. Workflow becomes much more efficient and our staff can route work based on each transaction as opposed to waiting for a batch process to be completed. Paper processes are reduced or eliminated, resulting in efficient business processes. Scanned images and documents are better managed within tax applications. Physical office space required to hold paper documents has been reduced. Taxpayer security is improved.
Approach and Success Evaluation – Provide details of how the success of the project will be evaluated
Estimates as to how long it takes a paper tax return to enter the DRS and be loaded into our tax systems will be measured before and after. Paper eliminated by cleanup tasks according to the OPRA's records retention schedule will be measured. Office space occupied before and after the move will be measured to determine how much space was saved by eliminating paper. The accessibility of confidential documents will be improved so that information can be accessed digitally rather than needing to be printed. Improvements made to business workflow processes to work more efficiently will be measured during the project.

D. **Business Goals**. List up to 10 key business goals you have for this project, when (FY) the goal is expected to be achieved, and how you will measure achievement, Must have at least one. Please use action phrases beginning with a verb to state each goal. Example: "Reduce the Permitting process by 50%". In the Expected Result column, please explain what data you will use to demonstrate the goal is being achieved and any current metrics.

Business Goal (Action Phase)	Target FY for Goal	Current Condition	Expected Result
Reduce tax revenue processing risk	FY2016	Older equipment and processes	Implementation of new technologies and improved workflow
Increased taxpayer service	FY2016	Taxpayers mail us tax returns and do not know the status of the return until several months later	DRS will be better positioned to answer questions as to where a tax return exists at the agency.
Timeliness of Posting Tax Returns	FY2016-FY2017	Tax returns take 2 months in a worst case scenario to post to our system.	Returns posted sooner to our system, which increases taxpayer satisfaction with the DRS.
Improve Data Security of Confidential Taxpayer Returns	FY2016	DRS has a home grown Image storage system called Image Retrieval. This system is self-managed and may be vulnerable to security threats due to the age of the system and imposed limitations. This system is unable to take advantage of modern security concepts.	FileNet will incorporate encryption of data so that taxpayer data is secure at rest and in transit. Access rights will be appropriately set based on an employee's role within the organization and access rights can be split based on unique job functions.
Streamline processes for scanning paper through vendor	FY2016	Paper scanning through our vendor results in a 2 month delay due to an inability to inject data into our system as necessary.	A scanning vendor can upload data into our system as necessary, as according to security restrictions,
Workflow improvements	FY2016	Paper returns once scanned require significant checks and manual processes to verify the data integrity. Multiple systems each contain subsets of digital imaging data and are not consolidated into one system.	More scanning processes adopt automated QA and all digital imaging data is stored under the same system. DRS systems utilize the FileNet solution to
Adhere to the OPRA's standards	FY2016	DRS retains all paper documents and has a separate location at 92 Farmington Avenue that is used as a file warehouse. Documents may not always be purged according to state standards for records retention as set forth by	The OPRA has established Document Retention Standards to assist state Agencies with records retention. DRS adheres to these standards and retains documents according to the records retention schedule.

		the public records administrator.	
Properly categorize paper and digital documents	FY2016	Paper files can be found anywhere from an employee's file cabinet, desk, different floors in the building, or within different buildings. Paper cannot be quickly accessed and is not available to many people at once.	ECM system supports classification of different paper document formats and digital data, and categorizes this data in such a way that it can be looked at based on access permissions.
Convert existing images into ECM solution	FY2016	We currently have 48 million images in our system.	Images are converted into ECM solution. Old images are destroyed according to OPRA's records retention schedule.

E. **Technology Goals**. From a technical perspective, following the above example, list up to 10 key technology goals you have for this project and in which Fiscal Year (FY) the goal is expected to be achieved. Please use action phrases beginning with a verb to state each goal. Example: "Improve transaction response time by 10%".

Technology Goal	Target FY for Goal	Current Condition	Expected Result
ECM system to support the agency	FY2016	Documents stored throughout DRS systems in various ways. Workflow cannot utilize scanned data effectively and therefore DRS cannot work efficiently under all business case scenarios.	DRS obtains a centralized document management system for the digital storing of paper information. The solution results in standardized and sustainable technology. Workflow is easier to address because the entire business can benefit from utilization of the ECM solution.
Eliminate digital conversion inefficiencies with paper tax returns	FY2016-FY2017	Paper tax returns take up to two (2) months to convert into digital format.	Paper tax returns are scanned and directly loaded into FileNet. Once an automated QA check occurs, the information is posted to our system so that we can reflect this status to taxpayers.
Consolidation of Legacy Processes	FY2016	DRS uses Remittance processors to scan checks, a NIXDORF data entry system, and outside vendors.	A modernized scanning solution scans checks, tax returns, correspondence, and loads the data into FileNet. Data entry tasks are minimized as the scanning solution can

			utilize OCR/ICR scanning to convert handwriting into text.
Legacy imaging system replacement	FY2016	The current system does not have the capacity to handle growth requirements for the DRS and has high resource requirements.	FileNet is a vendor supported system that can better handle growth requirements and has improved security features.

F. **Priority Alignment.** The criteria in this table, in concert with other factors, will be used to determine project priorities in the capital funding approval process. Briefly describe how the proposed projects will align with each criterion.

Priority Criterion	Y/N	Explanation
Is this project aligned with the Governor's Key Priorities?	YES	LEAN agency processes to eliminate manual work and paper processes.
Is this project aligned with business and IT goals of your agency?	YES	Any similar projects currently underway at the agency will look to incorporate our ECM solution so that we can access scanned images.
Does this project reduce or prevent future increases to the agency's operating budget?	YES	Retirement of legacy systems along with increased internal capacity will minimize future increases.
Will this project result in shared capabilities?	YES	The ECM project has the potential to support multiple agencies.
Is this project being Co-developed through participation of multiple agencies?	YES	FileNet is supported by BEST and DRS is looking to utilize BEST's setup for ECM for our agency's needs.
Has the agency demonstrated readiness to manage project of this size and scope?	YES	A project is underway for ECM.
Is the agency ready to deliver the business value proposed?	YES	DRS is planning for a pilot project at its current location. ECM planning is being incorporated into the new building.

G. **Organizational Preparedness**. Is your agency prepared to undertake this project? Is senior management committed, willing to participate, and willing to allocate the necessary time, energy and staffing resources? How will the project be managed and/or governed and who will make the key project decisions?

> The DRS has senior management committed and willing to participate in this project. An agency project has been assembled with staff and resources to help with project leads assigned to this project.

H. **Project Ramp Up**. If capital funds are awarded for this project, how long will it take to ramp up? What are the key ramp-up requirements and have any off these already been started? For example, has a project manager been identified? Has an RFI been issued? Is a major procurement required such as an RFP?

> The DRS has three project managers aligned with this project and work is underway to begin preparing DRS for the changes. An RFP is being developed and discussion on other procurement opportunities is being discussed between DRS and DAS.

I. **Organizational Skills**. Do you have the experienced staff with the proper training to sustain this initiative once it's a production system? Do you anticipate having to hire additional staff to sustain this? What training efforts are expected to be needed to maintain this system?

> We anticipate the need to train DRS staff to become familiar in ECM technology.

J. **Financial Estimates.** From IT Capital Investment Fund Financial Spreadsheet

Estimated Total Development Cost	Estimated total Capital Funding Request	Estimated Annual Operating Cost	One Time Financial Benefit	Recurring Annual Financial Benefit
$13,115,000	$10,865,000	$6,570,000	$0	$2,686,000
Explanation of Estimates				
The Estimated Total Development Cost is assuming this total includes only Professional Services. These costs were based off discussions with tax departments in other states. The Estimated Total Capital Funding Request includes all Professional Services and hardware/software licenses and maintenance. The Estimated Annual Operating Cost is the ongoing yearly maintenance and support.				
Assumptions: Please list key assumptions you are using to estimate project development and implementation costs				
BEST will continue to support FileNet as its ECM solution. Security of scanned images and data meets IRS PUB 1075 requirements.				

III. Expanded Business Case

A. **Project Impact.** Beyond the top business goals identified in Section II, 1) What impacts will this project have, if any, in the targeted areas below, 2) What would be the impact of not doing this project, 3) How will the project demonstrate benefits are achieved.

(1) Impact Area (Vision)	Y/N	Description of Project Impact
Will this project provide efficient and easily accessible services for all constituents?	YES	Checks and documents are processed faster and information becomes available sooner to taxpayers. DRS becomes better positioned to process information that only exists in paper format today.
Will this project promote open and transparent government with the citizens of the state?	YES	Information in paper format is difficult to share with the public. Providing an ECM solution would open new doors as to how DRS can increase its transparency in state government.
Will this project establish efficient and modern business processes?	YES	The ECM solution will enable more efficient workflow.
Will this project increase accuracy and timeliness of data for policy making, service delivery and results evaluation?	Yes	It will allow employees to be more efficient by allowing quicker access to the documents. This will result in workflow efficiencies and faster access to management information.

2) What is the expected impact of NOT doing this project?
Continue manual paper processes, working inefficiently. Utilize in place workflow rather than optimize based off FileNet structure. Documents will continue to exist in paper format at the DRS and will not always meet document retention standards as set forth by the OPRA. Increased processing risk including equipment failure, lack of service availability, delay in revenue deposit and accounting. Reduced availability of taxpayer information and services. Risk of increased outsourcing costs.

(3) How will you demonstrate achievement of benefits?
This project is included in the DRS Strategic Plan and follow the project management structure as established and in place for DRS projects. Milestones, deliverables, and project performance metrics will be established. Project status will be reported to DRS senior staff and communicated to staff and all stakeholders.

B. **Statutory/Regulatory Mandates.** 1) Cite and describe federal and state mandates that this project in intended to address. 2) What would be the impact of non-compliance?

(1) Statutory / Regulatory Mandates:
The Public Records Administrator has established a records management program under Connecticut General Statutes § 11-8(a). In order for DRS to efficiently meet those document retention standards, we need to establish an ECM solution to retain our paper documents in digital format. IRS Publication 1075 requires DRS to safeguard taxpayer data at all times. The ECM solution must adhere to this publication, NIST standards, state statutes, and other security policies.

(2) Impact of non-compliance:

The security of taxpayer data and the inability to meet best practice standards. Inability to access or use IRS data, which is critical to the DRS voluntary and compliance programs which could impact current revenue streams.

C. **Primary Beneficiaries.** Who will benefit from this project (citizens businesses, municipalities, other state agencies, staff in your agency, other stakeholders) and in what way?

DRS will become more efficient when handling information. Taxpayers will get prompt responses as to the status of tax returns. Information will hit systems sooner regarding the status of tax returns. The Governor's Office, OPM, OFA, and other stakeholder offices will benefit from more timely revenue reporting.

Important:

- **If you have any questions or need assistance completing the form please contact Jim Hadfield or John Vittner**
- **Once you have completed the form and the** IT Capital Investment Fund Financial Spreadsheet **please e-mail them to Jim Hadfield and John Vittner**

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