Information Technology Capital Investment Program

Project Status Report

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

From: Phil Soucy

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Agency: Department of Revenue Services
Project: IT/CTAX Modernization

Project Manager: Phil Soucy

Reporting Period: Project Inception through 12/31/2021

Total Funds Requested: $53,000,000

Total Funds Allotted to Agency: $36,950,000

Accumulative Total Capital Fund Expenditures to Date: $29,448,890

Brief Project Description/Summary:
DRS has partnered with FAST Enterprises in implementing GenTax to replace ITAS as our tax management system. GenTax is a COTS software developed specifically for the administration of tax, returns, and licensing programs. This new tax management system will provide taxpayers with a more timely, informative, and communicative experience. It will also provide DRS personnel with a dynamic platform for workflow, automation, reporting, and management capacities that support return processing, collections, audit, and other DRS processes.

Scheduling of this upgrade consists of a 48-month implementation of GenTax through four rollouts. The Major Tax types will be spread across the 48-month implementation schedule. Beginning with Sales Tax and Withholding (Rollout 1 – Sept. 2020), then Business taxes and Motor Fuel (Rollout 2 – Sept. 2021), followed closely by Individual and Real-Estate (Rollout 3 – Sept. 2022), and concluded by Hospital and Public Services taxes (Rollout 4 – July 2023).

Based on the current situation with the COVID-19 pandemic, the project will finish rollout 3 assuming that project related resources will continue to be remote in varying capacity. The agency and the project will continue to pivot and modify plans and approaches as necessary to ensure the project will be successful.

Summary of Progress Achieved to Date:

As of 12/31/2018

• Completed the Base Configuration phase – this phase serves as a checkpoint to confirm definition and developer are heading the right direction
• Completed the Definition phase where business requirements were gathered for rollout 1 tax types
• Continued conversion definition and started mock conversion runs
• Development phase is almost over, over 90% of development is done
• Started the Testing phase, currently halfway through business testing
• Training plan has been finalized and includes 4 Tiers of training, the first tier (CBTs) have been released to all applicable users and completed in preparation for Tier 2 classroom training which started on Jan 27th.
• Started cutover planning to prepare for the migration of rollout 1 taxes from ITAS to CTax for the May 11th rollout date
• Started change management and external communication efforts

As of 7/20/2020

• Completed the definition phase

• Continued full mock conversion runs and have finalized conversion reconciliation process

• Completed business testing

• Started end to end testing right before the pandemic, have since modified the end to end plan to account for the change in rollout date

• Completed Tier 1, Tier 2 (in person training) prior to the pandemic

• Created and complete Tier 2.5 training, this "refresher" tier was necessary due to the delays created from the pandemic

• Tier 3 and Tier 4 training plans have been revamped to account for training now being performed remotely

• Continued cutover planning to prepare DRS for the migration of rollout 1 taxes from ITAS to CTax and made changes to account for the new rollout date

• Continued change management and external communication efforts

• Completed tax type profiles and inventories for the taxes in rollout 2

• Briefly started definition and development for rollout 2 taxes for registration and returns functions, ceased as this week in order to focus on rollout 1 efforts

• Identified key staff that will be involved in rollout 2

Summary of Progress Achieved to Date:

As of 12/31/2020

Rollout 1

• Completed End to End testing
• Completed Tier 3 and Tier 4 training
• Completed fine tuning cutover planning and performed necessary activities
• Completed change management and external communication efforts
• Completed purifying converted data
• Completed R1 conversion
• Competed R1, rolled out Tuesday, September 15th, 2020 (date shifted 1 day at DRS' request due to situation unrelated to the project)

Rollout 2

• Restarted definition and development for rollout 2 taxes in October
• Completed the base configuration phase
• Drafted the testing and training plan
• Completed inventory documentation for reports, letters, forms, data stores
• Started determining conversion selection criteria
• Started change management and communication efforts, first info session will be available to the agency later this month

As of 06/30/2021

Rollout 2
    ◦ Completed definition and development phase for rollout 2 taxes
    ◦ Completed business testing
    ◦ Completed plan for End to End testing
    ◦ Completed plan for testing and training
    ◦ Completed plan for conversion
    ◦ Started End to End testing
    ◦ Completed Tier 1 and Tier 2 training
    ◦ Started Tier 3 and Tier 4 training
    ◦ Started planning and continue to fine tune cutover plan as needed
    ◦ Started executing cutover tasks as needed
    ◦ Completed plan for change management and external communication efforts
    ◦ Started executing change management and external communication efforts
    ◦ Started purifying converted data
    ◦ Started converting full mocks
    ◦ Started planning for end user rollout support

As of 12/31/2021

Rollout 2

- Completed End to End testing
- Completed Tier 3 and Tier 4 training
- Completed planning and fully executed cutover plan
- Completed executing change management and external communication efforts
- Completed purifying converted data
- Completed running full mocks
- Completed planning for and executed end user rollout support
- Completed a successful rollout for the applicable taxes Monday, Sept. 13th, 2021.

Rollout 3

- Completed project plan
- Completed inventory documentation for reports, letters, forms, and data stores
- Completed tax type profiles
- Completed definition for conversion selection criteria, aka "conversion scope"
- Completed the base configuration phase
- Started definition and development for rollout 3 taxes
- Started drafting the testing and training plan
- Started recruitment for agency testers and trainers
- Started conversion verification and purification
- Started change management and communication efforts, first info session series currently being executed

Issues and Risks:

As of 12/31/2018

Risks
• Over 30% of the agency is expected to retire in 2022. While this doesn't pose a risk for rollout 1, this needs to be kept in mind when moving forward with the project.
• Tax Type agency resources availability is limited during all phases of the project due to operational and other agency project commitments.
• Development changes due to Legislative/annual implementations may cause resources to be stretched too thin at times.
• The agency is responsible for making the necessary changes in the legacy systems to protect data integrity once the conversion extract starts. If not done properly, data integrity issues can put the whole agency at risk.

As of 7/20/2020

- The agency and the project have continued to pivot as needed to changing circumstances based on the pandemic. That being said, there is no known end date for the pandemic, therefore, additional changes and challenges as a results of the pandemic could continue to surface.
- Ability to adjust to completing training and testing phases of the project while most staff is working remotely.
- Agency resources availability is limited during all phases of the project due to operational duties and additional support needed for pandemic related activities.
- The agency is responsible for making the necessary changes in ITAS to protect data integrity once the conversion extract starts. If not done properly, data integrity issues can put the whole agency at risk.
- The agency is responsible for performing necessary conversion purification in ITAS, the more we can clean up prior to conversion the less manual work would need to be done after each rollout.

As of 12/31/2020

- The agency and the project have continued to pivot as needed to changing circumstances based on the pandemic. That being said, there is no known end date for the pandemic, therefore, additional changes and challenges as a results of the pandemic could continue to surface.
- Agency resource availability is limited during all phases of the project due to operational duties and support needed for pandemic relates activities.
- The project will try and limit the number of changes that external interface partners need to make when possible. However some changes are unavoidable and if external agency interface partners don't make the necessary changes on the designated schedule, it puts our rollout at risk for not having the necessary functionality needed at rollout.

As of 6/30/2021

The agency and the project have continued to pivot as needed to changing circumstances related to the pandemic and post pandemic initiatives and additional legislative changes.

Agency resource availability is limited during all phases of the project due to operational duties, increases in agency turn over including retirements, training of new hires, support needed for pandemic/post pandemic related activities, and legislative changes.

The project will try and limit the number of changes that external interface partners need to make when possible. However some changes are unavoidable and if external agency interface partners don't make the necessary changes on the designated schedule, it puts the rollout at risk for not having the necessary functionality needed at rollout.

As of 12/31/2021

The agency and the project have continued to pivot as needed to changing circumstances based on .the pandemic as well as legislative changes (Amnesty, Cannabis, Highway Use Tax)

Agency resource availability is limited during all phases of the project due to operational duties, increa in agency turn over including retirements, training in new hires, support needed for post pandemic related activities, and legislative changes. With the agency juggling multiple initiatives at once, .employee burn out is more of an issue

The project will try and limit the number of changes that external interface partners need to make when possible. However some changes are unavoidable and if external agency interface partners don't make the necessary changes on the designated schedule, it puts the rollout at risk for not having the necessary functionality needed at rollout.

Next Steps & Project Milestones:

As of 12/31/2019

Details for Rollout 1
- Complete development
- Complete testing
- Complete all 4 tiers of training
- Complete cutover planning
- Complete change management and external communication efforts
- Go live with rollout 1 taxes May 11th
- Complete conversion

In addition, start planning resources and scope (tax types) for rollout 2

As of 7/20/2020

Details for Rollout 1

- Complete end to end testing
- Complete tier 3 and tier 4 training
- Continue to fine tune cutover planning and perform necessary activities
- Continue change management and external communication efforts for rollout 1
- Continue to work on purifying converted data
- Complete conversion
- Go live with rollout 1 taxes September 14th, 2020 (date shifted due to COVID-19 pandemic)
- Restart definition and development for rollout 2 taxes in October
- Finalize rollout 2 schedule for key dates and milestones

As of 12/31/2020

Rollout 2

- Complete the definition phase
- Continue the development phase
- Start full mock conversion runs
- Start conversion purification
- Start business testing
- Start Tier 1, Tier 2 training
- Continued change management and external communication efforts

As of 06/30/2021

Rollout 2
- Complete End to End testing
- Complete Tier 3 and Tier 4 training
- Complete fine tuning and finish executing cutover tasks as needed
- Complete executing change management and external communication tasks
- Complete purifying converted data
- Complete conversion
- Complete planning for and execute end user rollout support
- Have a successful rollout mid-September

Rollout 3
- Complete the preparation phase for rollout 3; for example, finalizing scope, schedule, org chart, on-boarding, kick-off, etc.
- Start definition and development for rollout 3 taxes
- Complete planning for and execute the base configuration phase
- Start planning for testing and training for rollout 3

As of 12/31/2021

Rollout 3

- Complete definition and development for rollout 3 taxes
- Complete the testing and training plan and recruitment for testers and trainers
- Continue change management and communication efforts
- Prepare for and execute business testing
- Prepare for End to End testing
- Execute Tier 1 and Tier 2 training
- Start identifying cutover tasks
- Start running full conversion mocks
- Continue purifying converted data
- Continue conversion verification and purification