

2017-19 Biennium Budget Decision Package

Agency: 220 Board for Volunteer Firefighters

Decision Package Code/Title: 04 Pension and Relief Tracking System

Budget Period: 2017-2019

Budget Level: PL – Performance Level

Agency Recommendation Summary Text: The Board for Volunteer Firefighters and Reserve Officers (BVFF) is requesting funding to replace its current obsolete database system. This system will eliminate redundant data entry, increase productivity, better secure confidential information, allow constituent access to information, and meet the data center requirements in RCW 43.105.369.

The BVFF is breaking the development into two phases. In phase one, the agency will hire a contractor to perform a detailed analysis of the current system and data, work with staff and constituents to define the needs for the new system, help assess any off-the-shelf software that may be cheaper and meet our needs, and scope the scale and cost of a new system if it is the best option. The BVFF will prepare a future decision package to request the funding for development in phase two once better cost estimates are available after the detailed system analysis.

Fiscal Summary: Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
Fund 204-1	256,000	0	0	0
Total Cost	256,000	0	0	0
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs				
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
Obj. E	256,000			

Package Description

Over the last twenty years, the Board for Volunteer Firefighters and Reserve Officers (BVFF) has used an Access Database to track all pension payments, service credit, accident reports, disbursements, receipt, addresses, deaths, 1099 information, buy-back information, and benefit payments. In recent years, we have tried to update the database to make it track relief payments, to update security measures, and

provide audit tracking information. It has become increasingly difficult to find IT support at a level qualified to maintain the database system. In addition, technology has evolved so that constituents are used to more technologically advanced systems that allow for more self-service, making ours frustrating and out of date.

The new database would be able to track more information and provide for future growth. It would provide better security and more checks and balances to address concerns raised by the State Auditor's Office. Because the system would be hosted in the cloud environment, it would meet the requirements of RCW 43.105.369, and it would also be built on a web-based platform so that users could access user specific levels of information without having to call our office. Fire and police departments would be able to access real-time information and submit forms online instead of having to use paper based reporting methods. Firefighters, Emergency Medical Technicians, and Police Officers could access their personal information at times that are convenient for them rather than trying to call the office during business hours.

The agency is breaking the development of the system into two phases. The first phase, which this package is addressing, will allow the agency to hire a contractor to provide a detailed systems analysis of the current system, and help the agency focus in on the exact requirements for a new system. It will provide funding to work both with agency staff and constituents to ensure that all needs are addressed. Once the first phase is completed, the agency will have a better understanding of the costs involved in the system development and will be able to make an informed budget request to fund phase two, which will be the actual system development.

Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service. Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

This package will fund the detailed system analysis for a replacement system that will allow better public access to information already collected by the agency and would save both local governments and the agency money and eliminate redundancy.

Performing a detailed system analysis is important to set the development phase up for success. It will help the agency to ensure that the best options are chosen, that development can be done more smoothly, and that any system built is done so with a lot of input from the staff, municipalities, and individual system participants.

Decision Package expenditure, FTE and revenue assumptions, calculations and details: Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

The agency entered into an inter-agency agreement with The State Board for Community & Technical Colleges to provide consultant services to estimate the cost of hiring a contractor to perform a detailed requirements analysis on our current system and the agency and constituent needs in a new system. The complete analysis is attached in the budget documentation.

A high level break-down of the costs are as follow:

General Analysis Work

	Hours
document general info and background	24
identify standards and necessary compliance	24
conduct stakeholder analysis	24

document business rules	40
non-functional requirements	
security	24
reliability	4
accessibility	4
flexibility	4
technology	24
others...	12
preliminary survey of solution alternatives	24

total general analysis hours	208
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General Process Work	Hours
define system context	8
identify events, responses	24
integrate processes	40
specify priority	16
total general process hours	88

Each process	Hours
use case or data flow diagram	2
description, steps, user roles	4
draft, review, finalize	4
total hours each process	10

Estimated processes per functional area	
Members	5
Departments	4
Remittances	6
Accidents	5
Retirements & Pension	7
Death Benefits	3
Accounting	4
Administration	2
Reports	30
total processes	66

general process work	88
process summary (66 processes x 10 hours each)	660
total process hours	748

Data	Counts
number of entities (approx. for current system)	50
	Hours

Each entity	
define, business rules	2
define attributes (approx. 6 per entity)	1
define relationships (approx. 4 per entity)	1
total per entity	4

General data	
identify entities and attributes	24
create relationships and define	24
high-level data migration analysis (approx. 10 entities, 4 hours each)	40
total general data	88

entity summary	200
general data work	88
total data hours	288

Interfaces	
	Hours
system interface to AFRS for one-time payments, member updates	20
system interface to HRMS for member updates	20
system interface to SSA to confirm SSN	20
system interface to AFRS for 1099 reporting	20
system interface to IRS for 1099 reporting	20
system interface to SAW to allow external users access to BVFF	20

total interface hours	120
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Summary of Effort	
	Hours
general	208
processes	748
data	288
interfaces	120

estimated total hours	1364
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Estimated Cost
Total number of hours at hourly rates of \$100 - \$150.

hourly rate		cost range	
min.	max.	min.	max.
\$100	\$150	\$136,400	\$204,600

Contingency

In addition to the above costs, we have built a 25% contingency cost into the total package request for unanticipated overages and changes in contractor rates.

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect? Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

Once the new Pension and Relief Tracking System is completed in phase two, the BVFF expects that the percentage of clients rating the Board for Volunteer Firefighters' service level as above average to excellent on an annual random survey of departments and benefit recipients will increase.

In phase one, which this package addresses, we do not anticipate seeing a big change in performance outcomes because many constituents will know we are building the foundation for a new system, but they won't actually have the benefit of it yet.

Performance Measure detail:

Once the new system is complete, we anticipate that 97% of the constituents will rate our service as above average to excellent as measured by our survey. This will represent a 2% increase over our current 95% rating.

Fully describe and quantify expected impacts on state residents and specific populations served.

Since this package only requests funding for Phase One, there won't be a large impact on state residents initially. Phase One lays the foundation for Phase Two, which will provide the positive impact on the state residents and populations served. Once Phase Two is implemented, the impacts will be:

State Residents: Firefighters, Emergency Medical Technicians, and Police Officers throughout the state will be able to access their information regarding accidents, service credit, and retirement benefits at any time using the internet and tablet/smart phone applications without having to call the office. They will be able to calculate out their future pension amounts using an on-line calculator with their actual information. In addition, they will have the ability to report accidents and request retirement papers at any time using the on-line application.

Fire, Police, and Emergency Medical Departments: City and county municipalities will be able to reduce the use of paper and save on postage and ink by submitting their reports on-line rather than using a paper-based system. They will be able to check information specific to their department in real-time at times that are convenient for them rather than having to call the office during regular business hours. Since many fire departments have only volunteer staff, this will save time and frustration for them, and allow them the flexibility to be productive outside of normal business hours.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	Yes	Identify: County Fire, Police, and Medical Districts would benefit from a new web-based reporting system to decrease costs from postage, paper, and ink. It

		would improve their ability to access information, which would save labor.
Other local gov't impacts?	Yes	Identify: City Fire, Police, and Medical Districts would benefit from a new web-based reporting system to decrease costs from postage, paper, and ink. It would improve their ability to access information, which would save labor.
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	Yes	Identify: Data could be more easily and accurately provided to the Office of the State Actuary, making it less likely that they would need to expend extra effort clarifying data.
Responds to specific task force, report, mandate or exec order?	Yes	Identify: Once built, the new system would adhere to performance and IT Security audit recommendations and mandates.
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	No	Identify:
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		The State Auditor has issued findings regarding the database and has recommended either major upgrades (which would destabilize the system) or replacement.

Please provide a detailed discussion of connections/impacts identified above.

In the Auditor's Accountability Audit Report published on December 22, 2014, the SAO stated "...a new tracking system for pensions is desirable. The current access database allows for many internal control weaknesses at the Board". Developing a new web-based database, hosted in the state's secured cloud environment, would meet not only the requirements set forth in RCW 43.105.369, but also the SAO recommendations based on State Administrative & Accounting Manual requirements.

Under our current system, participating municipalities have to download Word or Excel Templates to report members for worker's compensation coverage, pension, or accidents. They then mail the paper forms and the agency staff enters the data into the Access system. The staff has to maintain the paper files, and scan and archive the forms. Departments wishing to extrapolate information regarding their departments must call the office to request the information. The new system would eliminate the paper requirement. Departments would be able to perform the data entry, and access all their department specific information. They would save on postage, paper, printing, and archival costs, and would be able to access their information immediately and efficiently.

In addition, individual firefighters, police officers, and emergency medical technicians would be able to report injuries or illnesses using an easy application, they would be able to check their pension records, and calculate their future pensions at times that are convenient for them rather than trying to call the office during the business day.

Finally, the Office of the State Actuary performs all valuation services per RCW 41.24.320. A new system would be built to better interface with their office so that the data would be cleaner and easier to extract.

Although this decision package will only fund Phase One, it will lay the foundation for successful development in Phase Two.

What alternatives were explored by the agency and why was this option chosen?

There are really only two alternative to replacing the current database. The first is to "patch" the current system that we use, and the second is to do nothing.

The upgrades that we have made to the system over the last five years in an attempt to meet audit requirements have destabilized the system to the point that the system has been rendered inoperable several times. These outages have been frustrating to both the staff and to constituents. Patching the current system would only further destabilize it and cause even more outages. The cost to patch and maintain the system would soon outpace the cost to replace the system with a system that is more accessible to the public.

Doing nothing assumes that the agency would continue to use the antiquated database now in place. We would continue with the associated inefficiencies, the redundant data entry, the audit findings, and the security risks as well as future outages.

In our initial research, there was no off-the-shelf software alternative and no other public agency system that could be used due to the unique BVFF business rules and processes. However, Phase One does have some cost built into it to look more closely at new systems being used both at the Department of Retirement Systems and at Labor and Industries.

What are the consequences of not funding this request?

If unfunded, the agency would continue with its current system. The current Access software will become unsupported by Microsoft, thus rendering the database nonfunctional. We would be unable to access critical data and would have to resort to a manual application. The SAO would continue to issue findings regarding the internal control weaknesses, and our clients would become increasingly dissatisfied in a society where everything is accessible online except for our information.

How has or can the agency address the issue or need in its current appropriation level?

Because the agency is so small, and the budget is accordingly small, the agency cannot absorb the cost for either phase one or phase two of the project. We did pay for the initial estimate analysis out of our current appropriation level, but that is not realistic in the next phase.

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

2017-19 IT Addendum

Part 1: Itemized IT Costs

Please itemize any IT-related costs, including hardware, software, services (including cloud-based services), contracts (including professional services, quality assurance, and independent verification and validation), or IT staff. Be as specific as you can. (See chapter 12.1 of the operating budget instructions for guidance on what counts as “IT-related costs”)

Information Technology Items in this DP <i>(insert rows as required)</i>	FY 2018	FY 2019	FY 2020	FY 2021
Item 1	256,000	0	0	0
Item 2	0	0	0	0
Total Cost	256,000	0	0	0

Part 2: Identifying IT Projects

If the investment proposed in the decision package is the development or acquisition of an IT project/system, or is an enhancement to or modification of an existing IT project/system, it will also be reviewed and ranked by the OCIO as required by RCW 43.88.092. The answers to the three questions below will help OFM and the OCIO determine whether this decision package is, or enhances/modifies, an IT project:

1. Does this decision package fund the development or acquisition of a new or enhanced software or hardware system or service? Yes No
2. Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.) Yes No
3. Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121.](#)) Yes No

If you answered “yes” to any of these questions, you must complete a concept review with the OCIO before submitting your budget request. Refer to chapter 12.2 of the operating budget instructions for more information.

We completed the concept review with the OCIO on June 27, 2016 and the DP Consultation with WaTech was on August 30, 2016.