

Project Closeout Report

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GENERAL INFORMATION

Project Name: UI Mod-iUS

Project Sponsor: Darren Brostrom

Agency Name: Job Service North Dakota

Project Manager: Heather Raschke

PROJECT DESCRIPTION

UI Modernization – iUS was a consortium-based program consisting of multiple projects to add North Dakota and Vermont requirements into the Idaho iUS unemployment insurance system. Each state was to implement the iUS core functionality plus state specific enhancements.

SCHEDULE AND COST METRICS

The ND reportable projects are shown in the table below.

Project / Phase	Project Start Date	Baseline End Date	Baseline Budget	Funding Source	Actual Finish Date	Schedule Variance	Actual Cost	Cost Variance
Original Baseline	5/01/17	*	\$8,168,805	Federal^	n/a	n/a	n/a	n/a
Project Prep: Feasibility Gap	5/1/17	10/31/17	\$300,000	Federal^	10/30/17	0%	\$299,044	0%
Project Prep: Initiate & Prep	11/1/17	12/5/19	\$750,000	Federal^	12/05/19	0%	\$584,934	3% under
Project Prep: Purge	8/14/18	10/1/18	\$20,890	Federal^	10/1/18	0%	\$20,890	0%
Containerization	4/11/19	9/30/19	\$13,552	Federal^	9/30/19	0%	\$13,552	0%
iUS Claimant Portal Phase 1	5/1/17	12/31/19	\$1,150,330	Federal^	1/21/20	0%	\$1,110,755	3% over
iUS Governance Model	3/11/19	08/13/19	\$488,146	Federal^	Terminated	65% over	\$256,235	4% under
ID/ND Onboarding phase 1 **	5/1/17	12/31/19	\$1,316,154	Federal^	Terminated	n/a	\$666,222	n/a
Employer Portal ++	Not Started	n/a	\$1,300,000	Federal^	Terminated	n/a	n/a	n/a
ID/ND Onboarding / Claimant Portal Phase 2 ++	Not Started	n/a	\$2,829,731	Federal^	Terminated	n/a	n/a	n/a
Final Baseline	05/01/17	*	\$8,104,297	Federal^	Terminated	Terminated	\$2,951,632	Terminated

Table Notes:

**The program end date was not derived as the program was terminated prior to planning all the projects.*

***Costs incurred were for planning and analysis. As the project was still in planning at time of termination, no variance could be calculated.*

++The project was not started and therefore no variance could be calculated nor were costs incurred.

^No State dollars were used on this program.

Program Notes:

In January 2020, the Governors of the three state UI Modernization – iUS Consortium (UI Mod-iUS), which consisted of the states of North Dakota, Idaho, and Vermont, met to discuss the overall needs of the states and the status of the consortium. During the discussions, it was noted ND and VT needed a level of customer self-service and staff efficiencies that the lead state would not agree to. Without this agreement between states, continuing with the consortium would have required ND to hire more staff to conduct the UI program, and resulted in the loss of UI claimant self-service, decreased customer service, increased response times, and other consequences detrimental to the citizens of ND. After this discussion, the Governors agreed it was in the best interest of the states to dissolve the consortium. This was communicated to the federal government which provided the funding. In February 2020, a formal letter was sent from JSND to the USDOL requesting the use of the remaining federal funds for use by a potential North Dakota and Vermont consortium to develop or enhance smaller applications for use by multiple states. Due to the Covid-19 pandemic and its effect on unemployment insurance nationwide, modernization activities were placed on hold. In December 2020, a formal response to the February 2020 letter was received from the federal government denying the use of the remaining funding for additional modernization efforts.

ND had no opportunity to implement code developed under the consortium as most of the ND requirements were not built prior to program termination, and those that were built were limited to portions of a public facing benefits portal and the Tax Core – neither of which were finished.

Facing retirements of multiple key IT staff members who operated or maintained the UI system, JSND contracted with Unisys to host the system in the Azure environment as well as provide database, operations, and programming services. The full transition to Unisys hosting was accomplished in July 2021 utilizing federal funds.

JSND has since contracted with the same vendor to conduct an analysis of multiple potential projects which would upgrade outdated or expensive technology in an incremental fashion. Federal Cares Act funding is being utilized for this effort.

MAJOR SCOPE CHANGES

The program was terminated.

OBJECTIVES

Business Objective	Measurement Description	Met/ Not Met	Measurement Outcome
1.1 Have a sustainable UI system	<p>1.1.1 At point of implementation, the UI system utilizes modern technology in the .Net stack which has long-term support from Microsoft.</p> <p>1.1.3 At point of implementation, the solution provides a cloud hosting option.</p> <p>1.1.4 Increase pool of programming resources to be over 30 at time of implementation.</p> <p>1.1.4a Current pool of known resources to JSND is 7 (3 FTE & 4 known contractors)</p>	Not Met	The program and associated projects were terminated before system implementation.
1.2 Ability to rapidly respond to changing economic conditions, changes to federal programs, and legislative mandates	1.2.1 Decrease from current level of 600 backlogged system support tickets to 50 within 6 months of implementation.	Not Met	The program and associated projects were terminated before system implementation.

KEY LESSONS LEARNED AND SUCCESS STORIES

Project or Phase	Lesson Learned and Success Stories
General Comment	Sometimes the greatest success a project can have is to be terminated. The success is in making the difficult but right decision for the state, its citizens, and its business community.
Project Prep: Feasibility Gap	<p>The feasibility gap was completed with a decision to proceed in joining a consortium with Idaho and Vermont.</p> <p>What did we do well? ND was direct about the amount of functionality in the current system and the need to replicate the functionality in the new system. ND was open to modifying their processes to meet the needs of the other states and accepting as much of the iUS base system as possible – as long as it did not require the agency to hire staff due to loss of functionality and/or efficiency.</p> <p>What did we learn? After the consortium was formed and projects started, it was learned that not all states are interested in the same level of functionality and efficiency. Smaller states with minimal staff require more. Larger states may see the additional functionality as a threat to their funding models.</p> <p>What should we do differently next time? The resulting list of changes should have been listed within the agreement between the states rather than referenced as a shared vision. The difficulty in doing so lies within the funding timeframe constraint imposed by the federal grants.</p>

Project or Phase	Lesson Learned and Success Stories
<p>Project Prep: Initiate and</p>	<p>Recognizing how resource intensive and complex the program would be, the agency looked for ways to mitigate risk – such as cleansing data before conversion and ensuring necessary current system documentation was up to date.</p> <p>What did we do well? ND anticipated the needs of the program and actively pursued risk mitigation strategies. The status of some of the internal preparation initiatives at the time of program termination was as follows:</p> <ul style="list-style-type: none"> • Data dictionaries for the entire mainframe system as well as the FileNet imaging system were 100% complete. • Data dictionaries for the web portal applications were 90% complete. • Tax data cleansing programs were 100% complete. • Several benefits data cleansing programs were created and ran in production post purge. • Tax interface documentation was 100% complete. • Benefits interface documentation was 85% complete. • Correspondence inventory was 85% complete. • Report inventory was 50% complete. • Test scenario development was 75% complete. <p>What did we learn? Anticipating risk and actively working to mitigate those risks upfront can save staff time during the project, reduce complexity, and reduce the stress on assigned resources.</p> <p>What should we do differently next time? The pandemic pulled resources away from finishing some of these efforts. The agency should reinvest in finishing these efforts in Prep anticipation of the next major project.</p>
<p>Project Prep: Purge</p>	<p>Purge programs were either developed or enhanced for the UI system to reduce the cost and risk associated with the data conversion effort. The purge programs are reusable and will be run periodically which will assist JSND in any future modernization effort. The agency has also gained the benefit of reduced risk in terms of reduction of Personally Identifiable Information stored on its system.</p> <p>What did we do well? Following are the amounts of records purged from the system at the time of program termination:</p> <ul style="list-style-type: none"> • 49.7 million Benefits mainframe records • 127 thousand Overpayment mainframe records • 1 million Tax imaged records • 580 thousand Benefits imaged records <p>What did we learn? Data conversion is a time consuming and complex task. Starting as soon as possible with the purge prior data cleansing and data conversion saved staff time and reduced risk.</p> <p>What should we do differently next time? Purges must be up to date and running in production on a regular basis.</p>

Project or Phase	Lesson Learned and Success Stories
<p>Claimant Portal phase 1 <i>and</i> ID/ND Onboarding phase 1</p>	<p>The iUS product had substantially less functionality than ND's current system. Disagreements amongst the states regarding adding in the functionality required by small states vs. larger states (due to federal grant allocation funding model) could not be overcome.</p> <p>What did we do well? ND brought numerous experienced staff to the project who were open to the best practices of others and were willing to share our own best practices.</p> <p>ND used its resources wisely to ensure coverage in multiple areas – allowing the various aspects of this and other program related projects to continue simultaneously.</p> <p>What did we learn? Small states may require more functionality as they typically can't afford more staff. (The automated processing and customer empowerment contained within the ND system was borne of a necessity to become more efficient under declining federal funding.)</p> <p>What should we do differently next time? The functional features to be developed within the various projects should have been more specifically outlined within the agreement between states. Additionally, a memorandum of understanding is not a sufficient contract when disputes arise.</p> <p>While ND was able to keep multiple projects going simultaneously, it was a heavy workload for the staff. Allowing more time for an incremental development process would have reduced stress and allowed for projects to be implemented in phases rather than merely developed in phases.</p>
<p>Containerization</p>	<p>While not necessarily developed by ID as part of the iUS system, the ICON Relay application is available to other states and was containerized as part of the consortium. ND was provided some federal funds to participate in the project in a training capacity.</p> <p>What did we do well? JSND and NDIT provided staff to learn about containers. As much as possible, training was held virtually to lessen disruption to staff and the projects they were working on.</p> <p>What did we learn? Knowledge was gained on how to implement containers. This knowledge may be used on other projects.</p> <p>What should we do differently next time? The states should have agreed upfront to the amount and type of documentation needed for other states to replicate the lead state's efforts in containerization. Specific settings and other details were lacking from the documentation making it difficult to setup the containers in our environment.</p>
<p>Governance Model & Distributed Development Approach</p>	<p>The consortium itself was terminated largely due to the inability to agree on the governance of the iUS system in terms of both the project and the on-going system maintenance.</p> <p>What did we do well? ND stepped up to assist the vendor in authoring the document and facilitating meetings at the request of other consortium members. ND was willing to compromise for the good of the consortium but not to the detriment of ND citizens and businesses who rely on the unemployment insurance program. The various drafts could be used as the basis for another project with multiple sponsoring entities.</p> <p>What did we learn? What seems to be a shared vision will be vetted and proven through the development of a governance model.</p> <p>What should we do differently next time? Governance associated with a consortium should be developed, agreed to, and signed prior to work commencing on projects.</p>
<p>Employer Portal <i>and</i> ID/ND Onboarding / Claimant Portal Phase 2</p>	<p>N/A. Project not started.</p>