

1 TRANSCRIPT OF PROCEEDINGS
2 BEFORE THE
3 TEXAS WORKFORCE COMMISSION
4 AUSTIN, TEXAS

5 IT PROJECT UPDATE)
6 FOR THE TEXAS)
7 WORKFORCE COMMISSION)

8
9 COMMISSION WORK SESSION
10 TUESDAY, FEBRUARY 1, 2011
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17 BE IT REMEMBERED THAT at 2:02 p.m., Tuesday,
18 the 1st day of February, 2011, the above-entitled
19 matters came on for hearing at the Texas Workforce
20 Commission, TWC Building, 101 East 15th Street, Room
21 244, Austin, Texas, before TOM PAUKEN, RONALD G.
22 CONGLETON, and ANDRES ALCANTAR, COMMISSIONERS, and LARRY
23 TEMPLE, EXECUTIVE DIRECTOR, of the Texas Workforce
24 Commission; and the following proceedings were reported
25 by Lydia L. Edwards, a Certified Shorthand Reporter of:

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APPEARANCES

TEXAS WORKFORCE COMMISSIONERS:

Tom Pauken, Chairman
Andres Alcantar
Ronald G. Congleton

TEXAS WORKFORCE COMMISSION STAFF:

Larry E. Temple, Executive Director
H. E. (Gene) Crump, Jr., Deputy Executive Director
George (Dee) Meador, Director of Information
Technology
LaSha Lenzy, Director of UI and Regulation
Larry Jones, Director of Workforce Development
Tom McCarty, Director of External Relations
John Moore, Director of Regulatory Integrity

REPORTER'S CERTIFICATE 20

1 CHAIRMAN PAUKEN: Okay. Good afternoon.
2 Larry, I'll turn it over to you.

3 MR. TEMPLE: Yes, sir, Mr. Chairman. Dee
4 Meador will take the ball and --

02:02PM 5 MR. MEADOR: Good afternoon,
6 Commissioners. For the record, Dee Meador, Information
7 Technology Director. I'm going to start out the meeting
8 with a few brief comments as I usually do about data
9 center services. I'm also going to briefly talk about
02:02PM 10 some IT improvements and infrastructure projects, and
11 then I'll touch on the UI strategic plan -- UI IT
12 strategic plan before I pass it over to LaSha to talk
13 about the UI projects.

14 Data center consolidation, it's remained
02:02PM 15 largely unchanged during the past three months as far as
16 service delivery is concerned. We've had a minimal
17 number of operational issues. Recently we were able to
18 resolve the long-standing issue with the reconciliation
19 of our off-site tape backups, the final staffing
02:03PM 20 confirming that IBM had put into place sufficient
21 processes to ensure the recoverability of our systems
22 and data. As one would expect, there's a great deal of
23 focus on the DCS procurement of a master systems
24 integrator and selected service providers for servers,
02:03PM 25 mainframes, networks, print, mail and data center

1 management. RFO responses were received January 19th,
2 and the evaluation process is underway. But it will
3 take several months to select replacement providers and
4 several more to effect a transition from the current
02:03PM 5 service provider. That's all I have on data center
6 services unless you-all have some questions.

7 COMMISSIONER CONGLETON: No questions.

8 CHAIRMAN PAUKEN: No questions.

9 MR. MEADOR: All right. Thank you.

02:03PM 10 Moving on to IT improvement and infrastructure projects,
11 planning for the installation of a fire suppression
12 system and uninterrupted power supply is underway. I've
13 mentioned these in previous work sessions. This project
14 is a collaboration between business operations and

02:03PM 15 information technology and will result in the
16 installation of fire suppression technology in the TWC
17 annex data center, the TWC print/mail room, and the TWC
18 scanner operations area. The power backup will most
19 likely be a diesel generator that will protect selected
02:04PM 20 assets in the TWC annex. These projects are a component
21 of our FY '10 and '11 repair and rehabilitation of
22 buildings and facilities project and will be completed
23 by the end of this fiscal year.

24 We are also taking advantage of
02:04PM 25 supplemental budget request funding to update and

1 improve our disaster recovery planning processes and
2 documentation to comply with national institutes of
3 standards and technology standards. Although we have a
4 sound disaster recovery program, this effort will assist
02:04PM 5 us in filling some gaps and refining the program. As
6 part of our revisiting our disaster recovery strategy,
7 we have now established our Springdale office as the
8 primary IT recovery location in the event of a declared
9 disaster. This was due to better network connectivity
02:04PM 10 and space availability over the North MoPac office which
11 was our previous recovery location.

12 Any questions about the IT improvement and
13 infrastructure projects?

14 COMMISSIONER CONGLETON: No.

02:05PM 15 COMMISSIONER ALCANTAR: No.

16 MR. MEADOR: Okay. Moving on to UI
17 Strategic Planning Project, if you'll move to Tab 2,
18 there's actually a write-up in there if you'd like to
19 follow along with it. The major deliverables for the UI
02:05PM 20 IT Strategic Planning Project has been approved and
21 completed. These include the planning deliverable for
22 the UI IT vision road map, long- and short-term
23 strategies, and an IT operating plan as well as the
24 project close-out deliverables which created detailed
02:05PM 25 project charters for the major projects under the UI IT

1 improvement item for which we are requesting legislative
2 approval. There are two remaining deliverables still
3 ongoing for performing a market survey for the tax
4 modernization project and assisting with improving IT
02:05PM 5 investment management. The Project Management Office
6 has recently hired two new project managers to begin
7 planning the UI improvement project so that we can move
8 forward quickly when we are given legislative approval
9 to proceed.

02:06PM 10 We have several initiatives moving forward
11 from the UI IT road map. I'll start with IT investment
12 management. The objective of IT investment management
13 is to ensure that IT investments are effected, targeted
14 and linked to strategic goals. It enables

02:06PM 15 identification of the investment portfolio that balances
16 the need for operational cost efficiencies, business
17 innovation and agility. Under IT investment management,
18 we've completed the charters for the project review
19 board and the functional steering committees. The

02:06PM 20 project review board was finalized; and we held two
21 meetings in November and December. There will be six
22 functional steering committees who will meet
23 periodically to review projects for their specific
24 areas. And we are in the process of finalizing

02:06PM 25 membership in those committees, and we'll schedule

1 meetings as appropriate.

2 Any questions about any of that so far?

3 (No audible response.)

4 MR. MEADOR: Okay. We started working on
02:07PM 5 three other areas of improvement in IT from the UI IT
6 road map. The first is in the area of establishing
7 architectural standards and governance. We have created
8 an enterprise integration unit within the Project
9 Management Office to address architectural standards and
02:07PM 10 government -- governance. We have also procured and
11 installed services-oriented architecture software and
12 have contractors on board to assist with its
13 implementation. The second is in the area of enhancing
14 quality assurance organization and environment where
02:07PM 15 we've contracted for assistance in the development of a
16 quality assurance organization and program within the
17 Project Management Office. And the third will be
18 implementing an enterprise standard software development
19 life cycle which we'll begin addressing -- we will begin
02:07PM 20 addressing later this fiscal year; although, some
21 progress will be made in conjunction with the quality
22 assurance development. These IT improvements lay the
23 groundwork for moving forward with the upcoming major UI
24 projects and other IT work.

02:08PM 25 Any questions on the UI IT strategic plan?

1 (No audible response.)

2 MR. MEADOR: Okay. A couple of other UI
3 projects I think I'll mention before I turn it over to
4 LaSha that are newer projects. The first is the UI
02:08PM 5 employer chargeback project which will allow employers
6 to respond to notices of potential chargeback through
7 the Internet. This project is ramping up this month and
8 will be included in next quarter's workbook. We expect
9 this projet to move to production before the end of the
02:08PM 10 fiscal year. The other project is an SBR-funded project
11 to update the system documentation for the UI benefit
12 system. This updated documentation will help with the
13 overall support of the benefits system as well as
14 providing comprehensive documentation to feed into the
02:08PM 15 strategic improved UI benefits/system user interface
16 project.

17 If there's no questions, I'll turn it over
18 to LaSha to talk about the UI projects.

19 CHAIRMAN PAUKEN: Okay.

02:08PM 20 MR. MEADOR: Okay.

21 MS. LENZY: Thank you, Dee. Good
22 afternoon, Commissioners. For the record, LaSha Lenzy.
23 I am in Unemployment Insurance Division. Still behind
24 Tab 2, we do have three projects, the first one being
02:09PM 25 Apply for Benefits. You'll recall that the last time I

1 had reported that on our Internet initial claims
2 application there is some groups that were not allowed
3 to file via the Internet, and that includes groups like
4 federal claims, people who have worked in multiple
02:09PM 5 states as well as veterans. So we're very excited that
6 the first one to roll out will be the military claim.
7 So those returning veterans will be able to file online,
8 and so that should roll out this month. If you go down
9 that second page -- I believe it's the second page --
02:09PM 10 federal claims are scheduled to roll out in March of
11 this year, the structure for disaster claims in May,
12 combined wage claim in August, and then extended
13 benefits, the claim structure, in August as well.

14 On the second project, then, this is on UI
02:10PM 15 Internet appeal status, and this is somewhat similar to
16 the claim status project that rolled out last year.
17 This will allow both parties, employers and claimants,
18 to be able to view status of appeals, so virtually 24-7
19 access on appeals.

02:10PM 20 Also, we've had several appeals projects
21 in the past, but one of them dealt with FileNet, and
22 today was a very good example of how well FileNet works.
23 You may have gotten an email from me today that we had
24 to close offices in the North Texas area. And there was
02:10PM 25 112 hearings scheduled for today, and at least well over

1 half of those we've been able to reschedule and hold
2 today because of FileNet. So we were able to distribute
3 those to other hearing officers that had some time in
4 their schedule. So if it had not been for FileNet, we
02:11PM 5 wouldn't have been able to do that. And the others, of
6 course, we will expedite the resetting of it, but that
7 was a big help, so good example today.

8 COMMISSIONER CONGLETON: Before you move
9 on, I had a few concerns about some of the screens I've
02:11PM 10 seen on this, just some of the information on them. And
11 I'd like to have conversation with somebody whenever we
12 can get together later.

13 MS. LENZY: Okay. We can schedule to come
14 by your office or --

02:11PM 15 COMMISSIONER CONGLETON: Anytime.

16 MS. LENZY: Okay. We can do that.

17 COMMISSIONER CONGLETON: Okay. Thank you.

18 MR. JONES: Good afternoon, Commissioners.
19 For the record, my name is Larry Jones with Workforce
02:11PM 20 Development. This afternoon I have five projects --

21 MR. MEADOR: She's not finished.

22 MR. JONES: Oh, I'm sorry.

23 MS. LENZY: That's okay.

24 MR. JONES: I'm jumping the gun.

02:12PM 25 MS. LENZY: That's okay.

1 MR. JONES: Let me back up. Sorry.

2 MS. LENZY: Hey, the other one is so short
3 you can actually report on it probably, Larry. It's the
4 SIDES project. And the SIDES project is the project
02:12PM 5 that implements new data exchange methods using a
6 central broker, and this is where electronic requests
7 for separation information responses between any
8 participating state UI agencies and employers. There
9 is, as I said, a broker involved in this, and we are
02:12PM 10 still assessing the functionality of SIDES, what the
11 requirements will be to be a part of this, and will it
12 really improve our ability to interface with employers.
13 So there's still a lot of finalizing going on on the
14 actual requirements of this project, and we'll keep you
02:12PM 15 abreast of it as we know more.

16 MR. TEMPLE: Commissioners, this is --
17 unexpected it's becoming more a manual process than we
18 thought it was going to be. It's kind of paving the cow
19 path, if you will. It really didn't -- not getting us
02:13PM 20 exactly where -- and working with staff on ADP
21 particularly since they're such a big reporter of data
22 for us and looking at ways we'll be able to do that. So
23 it could very well be that we have some enhancements to
24 this -- and we'll be coming to you -- or actually some
02:13PM 25 things that could replace that entirely that'll help,

1 not only on -- on expediting appeals and that sort of
2 deal, but also an Integrity piece for John and then on
3 overpayments and getting timely wage data. So the more
4 we got into this, the more we found out it really wasn't
02:13PM 5 doing much more than what we were already doing, but
6 we'll be coming to you here before too long with some
7 other ideas.

8 COMMISSIONER CONGLETON: And which one is
9 this?

02:13PM 10 MR. TEMPLE: The SIDES.

11 COMMISSIONER CONGLETON: Yeah. Well, let
12 me ask you something. According to the NASWA SIDES from
13 Friday, only Utah and Ohio was working on this.

14 MR. TEMPLE: We're -- they were the
02:14PM 15 original pilot states.

16 COMMISSIONER CONGLETON: Right.

17 MR. TEMPLE: And we agreed to be kind of
18 the second phrase to -- to work with them.

19 COMMISSIONER CONGLETON: Well, aren't you
02:14PM 20 going to have to have some more major states involved in
21 order to share the costs?

22 MR. TEMPLE: It will be when they -- yes,
23 sir, when they roll those out. It's just a limited deal
24 now. I'll -- pretty much every state will be into it.
02:14PM 25 There are a lot of states that wanted to get into it,

1 but they didn't. They picked two small states to pilot
2 it, and then we looked at it on a limited basis; and we
3 just used ADP as our first big employer to work with.
4 So -- but it may not be the catchall for all the issues
02:14PM 5 we have. It's -- it's better than nothing, but we think
6 we've got some ideas that we can enhance it. We'll get
7 back and talk to you-all.

8 MS. LENZY: Now you may take it away,
9 Mr. Jones.

02:14PM 10 MR. JONES: Okay. False start. Again,
11 good afternoon, Commissioners. I have five projects to
12 present to you this afternoon. The first of those is
13 the child care automated attendance tracking which
14 you're familiar with. All boards, of course, rolled out
02:15PM 15 back in July. We now have well over 13,000 child care
16 providers equipped to use the child care automated
17 attendance system. To date we have conducted eight
18 regional technical assistance sessions, 28 boards, staff
19 and contractor sessions, and 60 provider training
02:15PM 20 sessions. As well, we have produced a training video
21 for parents and made that available to boards for
22 distribution. Attendance reported by parents at
23 provider locations is transmitted to TWC twice a month.
24 That is fully automated. Providers review reported
02:15PM 25 attendance via the provider portal while TWC board and

1 child care contractors review attendance via an
2 administrative terminal, and both are in real-time.

3 We also have frequently asked questions
4 posted on the TWC Intranet, and I think when I went and
02:16PM 5 looked at that a couple of days ago we had about 18,
6 maybe 19 pages of frequently asked questions to assist
7 our boards. TWC will continue to work with the boards,
8 contractors, providers and parents to ensure that we
9 receive the maximum efficiencies during the
02:16PM 10 implementation and continued operation of CCAA and that
11 the long-term benefits are realized. This project
12 remains under budget and has been implemented on time.

13 So if you have any questions regarding
14 child care automated attendance, I will stand for those
02:16PM 15 now.

16 CHAIRMAN PAUKEN: No.

17 MR. JONES: The second project that I
18 would like to present to you this afternoon is our
19 TWIST/Child Care Consolidation Project, a fairly
02:17PM 20 straightforward project. This would combine TWIST and
21 child care automation -- Child Care Consolidation into a
22 single package making it compatible with our other
23 programs. It's a major information resource project
24 that combines those two systems, will better manage the
02:17PM 25 currently tracked system which is having to be tracked

1 under two separate systems. Programming is in progress
2 on several modules. I won't go into detail on those.
3 But, once again, I will tell you that this program is on
4 track, and this program is under budget.

02:17PM

5 Do you have any questions regarding that
6 program?

7 (No audible response.)

8 MR. JONES: The third one to present to
9 you this afternoon is our Rapid Reemployment Redesign.

02:17PM

10 This project was one that I know you're all familiar
11 with. We previously called this profiling. What this
12 does really is, it puts this program under
13 WorkInTexas.com. So it's compatible with
14 WorkInTexas.com, and its features can be accessed

02:18PM

15 through the WIT system. This program was implemented in
16 two phases. Phase 1 is now complete, and the Phase 2
17 design is in process. It actually spans two fiscal
18 years, 2010 and 2011. Phase 2, which we're in right
19 now, will add functional enhancements to RRES such as

02:18PM

20 providing staff with the ability to determine groups of
21 claimants to further focus our data collection,
22 orientation and summary reports. This project is also
23 under budget and on time and should be completed on or
24 before August of this year.

02:19PM

25 Do you have any questions regarding RRES,

1 Gentlemen?

2 (No audible response.)

3 MR. JONES: Moving along, then, we have
4 the ongoing WorkInTexas.com enhancements. I think this
02:19PM 5 program has been underway for probably four and a half
6 years now, and basically we complete enhancements each
7 quarter and then begin new enhancements in the next
8 quarter. So numerous enhancements were completed since
9 the last IT work session. They're listed in your status
02:19PM 10 report. I guess the two principal ones that you might
11 be interested in were the WorkInTexas Veterans Portal,
12 and that has been updated on the texas.gov web site.
13 There's a lot of information available there, and I
14 think it provides a real enhancement for our veterans.
02:19PM 15 The other is the Hot Careers enhancement which provides
16 the search capability directing job seekers to industry
17 clusters within WorkInTexas.com. And I've gone and
18 tried that out, and it's very easy to use, very
19 straightforward application.

02:20PM 20 And then there are various enhancements
21 still underway to be worked on. If you have questions
22 about WorkInTexas.com enhancements, I'll be happy to
23 answer those.

24 (No audible response.)

02:20PM 25 MR. JONES: No. And then the last project

1 that I have to present this afternoon is our science,
2 technology, engineering and mathematics web site. The
3 landing page design has been completed. Program staff
4 provided IDEA with copy -- IDEA being our contractor,
02:20PM 5 with the home page and with the various subpages. I
6 know that those pages and subpages were brought around
7 to your offices over the last couple of weeks. So
8 either you or your staff had the opportunity to see some
9 of those. They're quite impressive. I think our
02:21PM 10 contractors made a good start.

11 Program staff is developing a bid notice
12 for home page branding video and three additional
13 scripted videos. Of course, I know that may expand for
14 the future, and we would be prepared to do that.

02:21PM 15 Off-site hosting for Brain Power was determined to be
16 the best solution for the large amounts of bandwidth
17 that we would have on our STEM web site, "Texas Brain
18 Power" being the branding words that we would use for
19 the web site. So we're working to acquire off-site
02:21PM 20 hosting for that web site. We also have initiated a
21 domain purchase for Brain Power, and that's underway as
22 well. We're on track to accomplish all goals within the
23 budget, scope and within the time limits offered.

24 So do you have any questions about STEM?
02:22PM 25 (No audible response.)

1 MR. JONES: Gentlemen, that completes my
2 portion of this. I'll turn it over to Mr. McCarty.

3 MR. McCARTY: Good afternoon,
4 Commissioners. Tom McCarty, External Relations. I'll
02:22PM 5 give you a brief update on the Home Page Redesign
6 Project. As you'll recall at the last IT work session,
7 we were in the middle of detail design. We were
8 beginning that process for the Home Page Redesign
9 Project. We are currently still in the detail design
02:22PM 10 with a main focus on content development. Since the
11 last IT work session, just recently we've acquired a new
12 project manager from IDEA. The previous project manager
13 who briefed you-all on the three home page designs a few
14 IT work sessions ago has left. So we have a new project
02:22PM 15 manager that we're getting up to speed on this project
16 right now as well. We're not seeing any increase in our
17 costs to -- with any of these changes and further down
18 the road.

19 If you have any questions, I'm available
02:23PM 20 for any questions you might have.

21 (No audible response.)

22 MR. MOORE: Good afternoon, Commissioners.
23 For the record, John Moore, Regulatory Integrity. This
24 is an updated report on the project focused on new hire
02:23PM 25 case weighting, and I'm pleased to report that the

1 project is on schedule and on budget. This project will
2 add case weighting to the new hire process to maximize
3 the capability of our new hire and wage benefit
4 cross-match processes to detect benefit overpayments
02:23PM 5 stemming from unreported and underreported earnings.
6 The project is addressed in two phases. Phase 1
7 includes development of a new earnings verification
8 letter process which will direct employers to submit
9 information using the Internet self-service portal. As
02:23PM 10 part of this phase, we will stop sending out paper
11 earnings verification forms, and if an employer chooses
12 to submit data via paper, they can request the form
13 using the IVR system. This phase is on schedule and has
14 been completed. It went out -- it started this month.
02:24PM 15 Phase 2 includes enhancing the current new hire
16 cross-match functions by creating an automated weighted
17 predictive analysis process featuring selectable
18 evaluation criteria, and this phase is scheduled to be
19 completed in September of 2011. We received \$652,800 in
02:24PM 20 SBR funding to complete this report.
21 And if you have any questions, I'll be
22 happy to answer them. Otherwise, that is, I think, our
23 final report.
24 MR. TEMPLE: That's all we have,
02:24PM 25 Commissioners.

1 CHAIRMAN PAUKEN: Okay. Thank you very
2 much.

3 (At this time, the proceedings were
4 adjourned at 2:25 o'clock p.m.,
5 Tuesday, February 1, 2011.)
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1 STATE OF TEXAS)

2 COUNTY OF TRAVIS)

3 I, LYDIA L. EDWARDS, certified shorthand
4 reporter for the State of Texas, do hereby certify that
5 the above-captioned matter came on for hearing before
6 the TEXAS WORKFORCE COMMISSION as hereinafter set out.

7 I FURTHER CERTIFY that the proceedings of said
8 hearing were reported by me, accurately reduced to
9 typewriting under my supervision and control, and, after
10 being so reduced, were filed with the TEXAS WORKFORCE
11 COMMISSION.

12 GIVEN UNDER MY OFFICIAL hand of office at
13 Austin, Texas, the _____ day of February, 2011.

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16

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Lydia L. Edwards
Certification No. 2567
My Commission Expires 12/31/12

19

Certified Shorthand Reporter
State of Texas

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