

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 MONDAY, AUGUST 15, 2011
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17 BE IT REMEMBERED THAT at 1:57 p.m., Monday,
18 the 15th day of August, 2011, the above-entitled matters
19 came on for hearing at the Texas Workforce Commission,
20 TWC Building, 101 East 15th Street, Room 244, Austin,
21 Texas, before TOM PAUKEN, RONALD G. CONGLETON, and
22 ANDRES ALCANTAR, COMMISSIONERS, and LARRY TEMPLE,
23 EXECUTIVE DIRECTOR, of the Texas Workforce Commission;
24 and the following proceedings were reported by Lydia L.
25 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
George (Dee) Meador, Director of Information
Technology
Steve Riley, Deputy Division Director of
Unemployment Insurance Tax
Larry Jones, Director of Workforce Development
Tom McCarty, Director of External Relations
John Moore, Director of Regulatory Integrity

REPORTER'S CERTIFICATE 22

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1 P R O C E E D I N G S

2 MONDAY, AUGUST 15, 2011

3 (1:57 p.m.)

4 CHAIRMAN PAUKEN: Can we begin,
5 Mr. Temple?6 MR. TEMPLE: Commissioners, the IT
7 quarterly meeting, and we will -- Dee Meador.8 MR. MEADOR: Good afternoon,
9 Commissioners. For the record, Dee Meador, Information
10 Technology Director. I'm going to do my usual Data
11 Center Services update and then give a few more items of
12 information about Information Technology before I turn
13 it over to our business users to talk about their
14 projects.15 Data Center Services steady state
16 operations have continued to be stable over the past
17 quarter. As has long been the case, the major issues
18 have to do with the provision of new servers and the
19 strained capacity of existing servers. We continue to
20 press IBM on these problems, but often critical
21 enterprises use takes precedence and are the focus of
22 the limited number of Team for Texas staff.23 I do have some good news on the disaster
24 recovery front, an area where we've seen some
25 improvement in Data Center Services. Last work session

1 I mentioned that our next disaster recovery exercise
2 would be performed using the split model in which
3 recovery would take place at the San Angelo data center
4 instead of the Boulder, Colorado recovery center where
5 we've been testing for the past several years. The
6 split model test which took place in late July was very
7 successful, and we were able to recover most of -- more
8 of our systems in the 72-hour test than ever previously.
9 We also processed most of our batch work, including
10 print and mail operations which were performed at the
11 mail guard site in Philadelphia where they had been for
12 several years. Because of the success of this exercise,
13 we have given permission for IBM to deactivate our
14 contract for the Boulder, Colorado recovery center.
15 Also related to disaster recovery, we are near
16 completion of the revision of all documentation and
17 plans to comply with the National Institute of Standards
18 and Technology Standards. We've also established our
19 Springdale office as our primary IT recovery location
20 now.

21 Our production PeopleSoft, Human Resources
22 and Financial Systems reside at the San Angelo data
23 center and were not included in the test I just
24 mentioned. Historically PeopleSoft systems are tested
25 in a different time of year from the mainframe testing.

1 Our plan is to move those PeopleSoft systems to the
2 Austin data center and begin including them in an annual
3 comprehensive split model exercise.

4 Back on DCS, the reprocurement that began
5 with the issuance of two RFOs in January is still
6 underway. After an initial round of evaluation and
7 clarification sessions, the bidders developed amended
8 responses which were submitted August 8th. A second
9 round of evaluation has now begun. I still do not
10 expect contract awards to be made until late this fall
11 after which there will be several months of transition
12 before the new providers are fully set up for services.

13 That's all I had to report on Data Center
14 Services at this time. Do you have any questions I can
15 address?

16 CHAIRMAN PAUKEN: Commissioner Alcantar.

17 COMMISSIONER ALCANTAR: No questions.

18 CHAIRMAN PAUKEN: Commissioner Congleton.

19 COMMISSIONER CONGLETON: No questions.

20 CHAIRMAN PAUKEN: No.

21 MR. MEADOR: Okay. Thank you. I'd like
22 to touch on some IT infrastructure and improvement
23 projects that aren't going to be covered by the business
24 areas before we move on. In previous work sessions,
25 I've mentioned a capital project to install a fire

1 suppression system in the Texas -- the TWC annex to
2 protect the annex data center, printer operations and
3 scanning areas. That work is being completed. A second
4 project to install a power backup center for much of the
5 annex is now underway and should be completed by the end
6 of December. All that work you're seeing out there
7 close to the parking lot has to do with the --
8 installing a generator. Although power losses are rare,
9 they are a high risk for the annex due to the networking
10 activity that goes through there. Both the fire
11 suppression and power backup projects have been managed
12 by Business Infrastructure and Planning who have done an
13 excellent job coordinating with IT's Data Processing
14 Department and deserve a lot of credit for the
15 successful projects.

16 Our data communications group that
17 supports all the Agency's networks recently completed a
18 major project to increase bandwidth to major hub cities
19 and provide local access to TWC and workforce
20 development board offices. In Fiscal '10 and '11, the
21 data com group also completed a project to clean up all
22 the network wiring at the telecenters, improving the
23 maintainability of those complex wiring systems. Having
24 seen some before and after photos of those wiring
25 closets, I can appreciate the work that these

1 individuals have done.

2 Additional projects: We've also purchased
3 and are installing a web filtering appliance in our TWC
4 network to allow enhanced control and monitoring of
5 Internet use and to further protect the enterprise from
6 malware. The managed print project is near completion,
7 and most of the Agency's printers and multifunction
8 devices are now covered by that contract, which includes
9 preventive maintenance, parts and supplies such as ink
10 cartridges that we used to have to order and maintain
11 ourselves.

12 We are also in the process of converting
13 to a hosted email system which will allow us to retire
14 our end-of-life email servers managed by Data Center
15 Services and move to Microsoft Office 365 while still
16 retaining our ability to perform key email
17 administrative functions. The first part of the project
18 due to be completed by September 1st will be to move
19 inboxes and calendars to hosted emails. The final phase
20 will be to migrate individuals' personal folders into
21 hosted storage. This conversion to hosted email is a
22 strong return on investment plus other advantages such
23 as much larger email boxes to prevent the email jail
24 situation we've all experienced.

25 We've also been proceeding with IT

1 improvement projects identified as part of our strategic
2 road map. In the IT investment management area, we have
3 formed the project review board and four functional
4 steering committees, all of whom meet monthly to review
5 project portfolios, discuss project status and consider
6 new project requests. These committees have brought
7 about a level of transparency to our projects that we
8 did not have before, and we're finding them to be
9 valuable forums for project discussions. We are also
10 making progress on the establishment of architectural
11 standards and governance, enhancing and implementing a
12 standard software development life cycle and enhancing
13 the quality assurance organization and environment.

14 Quickly I'll move on to just a brief
15 overview of some Fiscal '12 and '13 capital projects
16 that are not covered by the business area reports.
17 First of all, we received approval to move forward with
18 an upgrade to our PeopleSoft Human Resources system
19 which will keep us on a supported level of the software
20 while we wait to see how the statewide ERP project
21 progresses. We also received approval for the
22 implementation of the final net records management
23 system, our local and wide area network upgrades and a
24 PC refresh project which will allow us to continue with
25 our standard four-year refresh cycle for PCs.

1 Any questions before we move on?

2 COMMISSIONER CONGLETON: No questions.

3 COMMISSIONER ALCANTAR: No.

4 CHAIRMAN PAUKEN: No questions.

5 MR. MEADOR: Thank you, sir.

6 MR. TEMPLE: Steve, IT -- I mean, UI.

7 MR. RILEY: Good afternoon, Mr. Chairman,
8 Commissioners. I'm Steve Riley with the UI Division.
9 We have three projects to report on today, Apply for
10 Benefits additional program types, Internet appeals
11 status and the SIDES project. The Apply for Benefits
12 additional program type project rolled out military
13 claims this past February. The next phase, federal
14 employee claims, has had a change to the time line
15 pushing the completion date to December of this year.
16 This is due to the complexity of the project and other
17 new legislative requirements, including the last
18 employing unit and the severance pay.

19 The second project, Internet appeals
20 status claimant view, was implemented last month with
21 the employer view now underway with a target completion
22 of November of this year.

23 The final UI project to report on is the
24 State Information Data Exchange System, or SIDES,
25 project. Phase 1, separation information, is moving

1 along as planned with a deployment date of October of
2 this year. Subsequent phases will include earnings
3 verification, monetary termination and nonmonetary
4 determination and appeals.

5 In addition to these ongoing projects, we
6 have three new projects we'll be reporting on each
7 quarter beginning in Fiscal '12, including the tax
8 modernization project, telecenter call handling
9 improvement project, and the improved benefit user
10 interface. Requests for information have been received
11 for both the tax modernization and call handling
12 improvement projects which will help us refine the
13 statement of work to procure vendor services. If you'll
14 recall during your last work session, you directed staff
15 to reallocate \$171,600 from the chargeback project to
16 another worthy project. The project review board has
17 selected the improved benefit user interface project for
18 that reallocation.

19 This includes my report, and I'll be happy
20 to answer any questions that you may have.

21 CHAIRMAN PAUKEN: Commissioner Congleton.

22 COMMISSIONER CONGLETON: No questions.

23 CHAIRMAN PAUKEN: Commissioner Alcantar.

24 COMMISSIONER ALCANTAR: No questions.

25 CHAIRMAN PAUKEN: Okay. Thank you.

1 MR. TEMPLE: Workforce, Larry Jones.

2 MR. JONES: Good afternoon again,
3 Mr. Chairman, Commissioners. This afternoon I have five
4 projects to present to you. All of these you have heard
5 before, and I'll step through those quickly.

6 The first of those projects is the Child
7 Care Automated Attendance. Workforce will continue to
8 brief you on this at your offices. However, since the
9 IT rollout of this is basically complete, with your
10 permission this will be the last time that we'll present
11 it here at this quarterly IT work session. It was
12 deployed statewide in five waves beginning back in
13 December of 2009. The conversion of the automated
14 attendance records to accommodate the TWIST/CC pilot is
15 complete. The conversion of the automated records to
16 accommodate TWIST/CC is on target for completion in
17 October of this year, and through June of 2011, there's
18 a 91 percent statewide utilization rate of the child
19 care automated attendance swipe cards. Workforce will
20 continue working with boards, contractors and providers
21 along with parents to ensure that TWC receives the
22 maximum efficiencies. We expect that 91 percent to
23 increase as we go.

24 Again, Gentlemen, with your permission,
25 this will be the last time that we'll present this at

1 the quarterly IT work session. Do you have questions?

2 COMMISSIONER ALCANTAR: Okay. I do. Talk
3 to me about the Phase 2 value adds, Phase 3 value adds.
4 What is that -- or remind me what that is on the
5 implementation schedule, Larry.

6 MR. TEMPLE: Where are you, sir? Those
7 are the enhancements. Is Patricia here? Patricia is
8 not here.

9 MS. MILLER: For the record, Reagan Miller
10 with Workforce. Phase 2 and Phase 3 are the
11 enhancements. Phase 2 included enhancements that
12 allowed for the integration of CCAA into TWIST, and
13 there are other provider identified enhancements that
14 are being made to the system. And then Phase 3 are
15 additional enhancements that TWC has requested. And I
16 don't have a list of all of those specifically, but I'll
17 be happy to share those with you.

18 COMMISSIONER ALCANTAR: That's fine,
19 Reagan. Thank you.

20 CHAIRMAN PAUKEN: Okay.

21 MR. JONES: The second project I have is
22 the TWIST/Child Care Consolidation project. The
23 steering committee meeting was held on June, 2011.
24 Programming is complete on the cost allocation, payment
25 and waiting list modules. And Train the Trainer

1 curriculum was completed, and Train the Trainer sessions
2 were conducted for all boards during the month of June
3 in one-week increments at various places. Pilot board
4 conversion is complete, and the pilot is currently using
5 TWIST/CC application. And that board is the Middle Rio
6 board, and we're working with them very closely. All
7 documents under review or approved by the steering
8 committee are posted on the Internet -- excuse me --
9 posted on the Intranet for review and comment. This
10 project is on target and within budget, and I have
11 nothing further to report. Again, it should be
12 completed with the rollout on October 1st.

13 CHAIRMAN PAUKEN: Commissioner Alcantar.

14 COMMISSIONER ALCANTAR: No questions.

15 CHAIRMAN PAUKEN: Commissioner Congleton.

16 COMMISSIONER CONGLETON: No questions.

17 CHAIRMAN PAUKEN: Okay.

18 MR. JONES: The third project I have for
19 you is the Rapid Reemployment System Redesign. Again,
20 Gentlemen, this is a project that has commonly been
21 referred to in the past as profiling. This came to us
22 in two phases. Phase 1 implementation is complete.
23 Phase 2 implementation will be complete the last week of
24 this month. So the design is -- is, of course,
25 complete. Code unit testing are in progress, so

1 anticipating no hiccups in the program. Again, that
2 will be fully implemented by the last week of this
3 month.

4 And, again, Gentlemen, with your
5 permission this will be the last quarterly IT work
6 session that we will present this item. We will
7 continue to brief your offices on the progress and so
8 on. Do you have any questions on this one?

9 COMMISSIONER ALCANTAR: No.

10 COMMISSIONER CONGLETON: No.

11 MR. JONES: The fourth project to present
12 to you is the ongoing WorkInTexas.com enhancements.
13 Basically we've been performing enhancements to
14 WorkInTexas since it was implemented years ago. Listed
15 in your notebook, you see Items 2 through 8. I'm
16 pleased to tell you that the first five of those,
17 Items 2 through 6, are, in fact, completed. Notably one
18 of those included an enhancement added due to Social
19 Security Administration changing their method for
20 assigning social security numbers, and we're now fully
21 able to accommodate that. The last two items listed in
22 your notebook, No. 7, is in progress and should be done
23 at the end of August, and that's the Match on This
24 feature. And the last item listed in your notebook, the
25 Makeover feature, is in progress, and we don't have a

1 scheduled-in date for that. Those are the ongoing or
2 completed enhancements for WorkInTexas.com.

3 Do you have any questions on this item?

4 CHAIRMAN PAUKEN: Okay. Go ahead.

5 COMMISSIONER ALCANTAR: I do. I really
6 appreciate the work that Scott puts into this and really
7 like the focus on making sure that we're taking
8 advantage of some of the new technology that's out there
9 and maximizing its use by our customers. But I want to
10 make sure that we're taking advantage of everything out
11 there, Larry. And is there anything additional we can
12 do in terms of making sure that we have the best
13 possible system in place?

14 MR. TEMPLE: As you know, the Direct
15 Employer folks keep pretty on top of the technology, and
16 I've asked Chad Sowash, who you and I spoke about the
17 other day, if he would do some testing of his own in
18 telling me, you know, what he sees around other states
19 that we could implement. As a matter of fact, I owe him
20 a phone call now. He called me Friday afternoon.

21 COMMISSIONER ALCANTAR: Okay.

22 MR. TEMPLE: And I hope to try to meet
23 with him between now and September and do some phone
24 calls. So he's up on it, I know. He did give Scott --
25 Scott is going to get the big head on this, but he did

1 give Scott some accolades; said that when he talks to
2 Scott, he gets it, and he has to explain things to a lot
3 of these other states. So --

4 COMMISSIONER ALCANTAR: Right.

5 MR. TEMPLE: But, yeah, we will continue
6 looking. I know we've looked at some products that
7 we've seen at various conferences and things, and some
8 of the things like the detailed work activity that Scott
9 is working on incorporates a lot of things that we've
10 seen vendors at the various shows marketing that we've
11 been able to look at doing in-house. Quite frankly, on
12 the job matching side, I think it's -- I don't know of
13 anyone that has a product that's doing it to the degree
14 that you're proposing.

15 MR. EYCHNER: Not currently, no, sir.

16 MR. TEMPLE: But we will keep up on that.

17 COMMISSIONER ALCANTAR: Well, Chairman, I
18 really appreciate the amount of thought that Scott puts
19 into this, but I still think we need to keep looking for
20 new approaches to -- just to make sure that we're
21 maximizing the use of this -- of this tool by employers
22 and job seekers. So thank you for your work.

23 MR. TEMPLE: Commissioners, what we may
24 want to consider if at a point that we think we've done
25 all that we can find is maybe going out with an RFI of

1 some sort working with Dee and Scott and just seeing
2 what's out there that we haven't -- that we haven't been
3 made aware of yet. I know that between Dee and Scott
4 these guys wear your door out trying to sell their
5 products, but you can't ever tell what's out there. We
6 can get it formally thataway, anyway.

7 COMMISSIONER ALCANTAR: Well, why don't
8 you see how your discussions go and get back with Scott,
9 and if you guys think that's an appropriate next step,
10 I'm happy to entertain that.

11 MR. TEMPLE: Certainly will.

12 MR. JONES: The fifth project that I have
13 to brief you on this afternoon is our Science,
14 Technology, Engineering and Mathematics web site.
15 Basically the design is complete, and the development
16 phase is complete as well. The final item that we're
17 working on is with a vendor who is doing video for us.
18 We meet with our vendor on a weekly and biweekly basis.
19 Gentlemen, this -- this project will undergo beta
20 testing by a sampling of our target demographic and
21 others that we'll invite. So if you're one of our
22 principal STEM components, then we would also ask you to
23 take a look at the beta testing phase. So our vendor,
24 again, should be complete shortly. I think as you know
25 a formal launch of this web site is anticipated for the

1 annual conference in late November, and we see no
2 problems to having that roll out on time.

3 Do you have any questions, Gentlemen?

4 COMMISSIONER ALCANTAR: No.

5 COMMISSIONER CONGLETON: No.

6 CHAIRMAN PAUKEN: No questions. Okay.

7 MR. TEMPLE: Tom will give us an update on
8 the Home Page Redesign.

9 MR. McCARTY: Good afternoon,
10 Commissioners. Tom McCarty. The Home Page Redesign
11 project we're currently in coding and unit testing.
12 We're nearly complete with that portion of the project.
13 I think we've got about 62 of the 88 pages coded and are
14 undergoing code review and unit and integration testing.
15 User acceptance testing started last week. Testing will
16 be conducted by page content owners and team volunteers.
17 The project is currently on track, and we're expecting
18 the web site to continue to launch on September 30th of
19 this year.

20 CHAIRMAN PAUKEN: Okay. No questions.
21 All right.

22 MR. TEMPLE: And John Moore only has two
23 projects related to Project Integrity.

24 MR. MOORE: Commissioners, I'm here to
25 report on the new hire case weighting project. I'm

1 pleased to report the project continues to be on
2 schedule and on budget. I report to you in two phases.
3 The first phase has already been completed in January of
4 this year, and that was the development of the new
5 earnings verification letter process; and it's scheduled
6 to migrate into production in January. Phase 2 includes
7 enhancing the current new hire cross-match functions by
8 creating an automated weighted predictive analysis
9 process featuring selected evaluation criteria. I'm
10 happy to report this phase is in the user acceptance
11 test and is on schedule to be implemented this month,
12 and hopefully next quarter we'll be able to report to
13 you on the final project and take it off the agenda.

14 With that, if you have any questions, I'll
15 be happy to answer them.

16 CHAIRMAN PAUKEN: No questions.

17 MR. MOORE: And I think that's it.

18 MR. TEMPLE: Other than that, I don't
19 think we have any other projects. Commissioners, any
20 questions?

21 MR. MOORE: Yeah. Wait a minute. I do
22 have one more. There will be on the agenda in the
23 future -- we just issued an RFI on the UI/IT fraud and
24 detection process, and it will be on the agenda from now
25 on. The RFI was posted this month, and responses are

1 due August 22nd. And hopefully we'll be able to get the
2 vendor to work on the project by April of this year.

3 MR. TEMPLE: One of the things that we're
4 looking at is not just on UI, but like child care is a
5 big part of our budget, products that we would be able
6 to use across a lot of our programs such as child care.
7 Okay. With that --

8 CHAIRMAN PAUKEN: Okay. Thank you,
9 Mr. Temple. Thank you-all.

10 (At this time, the proceedings were
11 adjourned at 2:17 o'clock p.m.,
12 Monday, August 15, 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 August, 2011.

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16

17

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

18

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