

Project #	Agency	Project Title
19-01	Department of Banking	FACTS Migration

SUMMARY OF REQUEST (Executive Summary from the Proposal)

[Full text of all proposals are posted here: <http://nitc.ne.gov/nitc/documents/fy2009-11/index.html>]

The Department's Financial Agency Centralized Tracking System (FACTS) is the application, licensing and data storage system. FACTS is written in Microsoft Visual Basic 6 (VB6). As of March 2008, Microsoft no longer supports VB6. Utilizing the CIO's office expertise when determining the timing of an upgrade, the Department was told the current application will work provided the Department does not modify existing code, does not change the operating system and does not add new code. This project is to migrate the unsupported existing system from Microsoft Visual Basic 6.

Currently tracking 47,431 financially related entities, institutions, licensees or offerings and exemptions; FACTS serves as the reporting, billing, enforcement tracking and resource allocation source of information. Since the original in-house design and implementation in 2002, enhancements of the program have improved searches, enlarged the databases to provide more relevant information, enabled electronic retrieval of examinations and audits and coordinated exportation of key data fields to better inform the public of financial activities. Web enabling the FACTS system would bring significant efficiencies to the department as national vendors work with licensees and then make their data available to the department.

The responsibilities of the Department have significantly increased since FACTS was written in 2002. For instance, during the past 5 years, the Department supervised bank assets have increased 50% to the current level of \$20 billion; the securities division licensed more than 79,000 regulated entities, individuals and activities.

Currently the integration of the Nationwide Mortgage Licensing System (NMLS) data has not been integrated completely due to the potential consequence of placing new code in the mission critical application.

The current financial regulatory environment requires enhanced information collection and reporting; however, the current system can no longer be reliably modified. With the assistance of the CIO office; a consultant was hired to determine the upgrade path and a Request for Information was issued to evaluate the cost of migrating the current VB6 system to Visual Basic.net (VB.net). The Department is also considering contracting with a third-party vendor who would create and maintain the system.

FUNDING SUMMARY

Contractual Services	Total	Prior Exp	FY09 Appr/Reappr	FY10 Request	FY11 Request	Future Add Request
Design	\$0					
Programming	\$173,400			135,000	38,400	
Project Management	\$0					
Data Conversion	\$0					
Other	\$0					
Total	\$173,400	\$0	\$0	\$135,000	\$38,400	\$0
Training						
Technical Staff	\$6,600			5,000	1,600	
End-user Staff	\$0					
Total	\$6,600	\$0	\$0	\$5,000	\$1,600	\$0
Total Request	\$180,000	\$0	\$0	\$140,000	\$40,000	\$0

PROJECT SCORE

Section	Reviewer 1	Reviewer 2	Reviewer 3	Mean	Maximum Possible
Goals, Objectives, and Projected Outcomes	14	11	12	12.3	15
Project Justification / Business Case	23	16	20	19.7	25
Technical Impact	19	15	15	16.3	20
Preliminary Plan for Implementation	8	5	7	6.7	10
Risk Assessment	9	7	8	8.0	10
Financial Analysis and Budget	18	13	16	15.7	20
TOTAL				79	100

REVIEWER COMMENTS

Section	Strengths	Weaknesses
Goals, Objectives, and Projected Outcomes	<ul style="list-style-type: none"> - Seems a very prudent thing to do to migrate from an operating system environment that is no longer supported to one that is. - Ability to make future upgrades and enhancements when required; Increased Security; Centralization of information; Web Access. All positive objectives. - In light of the current financial turbulence, it seems very appropriate that a project of this type be carried out. 	<ul style="list-style-type: none"> - I would have thought I would have seen either other state agency personnel, business partners or customers included on the steering committee. It appears only Banking and Finance employees are on the committee?
Project Justification / Business Case	<ul style="list-style-type: none"> - Project seems to make a lot of sense and I agree that doing nothing would result in the eventual decay and the quality of information available. - Temporary Staff will no longer need to be employed to reenter data (was not directly stated but assumed); Expense of VPN tokens no longer required; reliable system built utilizing best practices. 	<ul style="list-style-type: none"> - Not sure why the strengths/weaknesses of the Pearson Vue solution were not included in this section. It was briefly addressed in the Financial Analysis Section but did not include details.
Technical Impact	<ul style="list-style-type: none"> - The argument for being able to use current technology allowing the department to move forward with a reliable environment makes all the sense in the world. - Intend to conform with NITC standards and guidelines; proposing to replace prior to current system failing; 	<ul style="list-style-type: none"> - It is stated that the current IT staff will need to be trained in VB.net but it is not clear if the cost of the VB.net licenses are included in this proposal; I was unable to determine where the physical infrastructure would reside that supports this system. i.e. 501 Building? - Little detail shown on reliability, security area.
Preliminary Plan for Implementation	<ul style="list-style-type: none"> - Project team appears to represent Agency IT area well. 	<ul style="list-style-type: none"> - Not enough information to score above eight. It does appear however that the agency has a plan to address the implementation. - The indication is there will be two proposals. Unclear about the number "two". I would think involvement from IT individuals other than internal to Banking and Finance would be beneficial. I saw no mention of experience. No deliverables. - I would suggest based on possible barriers in RISK ASSESSMENT portion to add division head representation to project team to minimize possibilities of division heads not taking ownership of this project. Major milestones and deliverables not shown.
Risk Assessment	<ul style="list-style-type: none"> - Good grasp of the risks from what I've read. - Acknowledgement that loss of financial information is a risk. 	<ul style="list-style-type: none"> - A project manager should be assigned that has no ties to the Department of Banking and Finance so the risk of division heads not taking ownership is negated. An IT Security individual will need to be involved.

Section	Strengths	Weaknesses
Financial Analysis and Budget	<ul style="list-style-type: none"> - The programming estimate is based on several quotes received on a recent RFI. - Wide variety of vendors with various references. Budget estimates would appear to match up with several of the vendors from the RFI. 	<ul style="list-style-type: none"> - Not sure what's included in the quotes they provided. I cannot tell what's included is it just programmer time? Are there software license costs? Hardware costs? As a result it is hard to make a real firm judgment in this area at this time. - Ongoing maintenance costs unknown and no estimate projected. No hardware costs projected. No ongoing staff costs projected. - Appear to be significant differences on vendor estimates shown and what the feature differences might be as they relate to price differentials.

TECHNICAL PANEL COMMENTS

Technical Panel Checklist				Technical Panel Comment
	Yes	No	Unknown	
1. The project is technically feasible?	✓			
2. The proposed technology is appropriate for the project?			✓	
3. The technical elements can be accomplished within the proposed timeframe and budget?			✓	

NITC COMMENTS

- Tier 2 (Recommended. High strategic importance to the agency and/or the state.)

APPENDIX: AGENCY RESPONSE TO REVIEWER COMMENTS

Section	Strengths	Weaknesses
Goals, Objectives, and Projected Outcomes	<ul style="list-style-type: none"> - Seems a very prudent thing to do to migrate from an operating system environment that is no longer supported to one that is. - Ability to make future upgrades and enhancements when required; Increased Security; Centralization of information; Web Access. All positive objectives. - In light of the current financial turbulence, it seems very appropriate that a project of this type be carried out. 	<ul style="list-style-type: none"> - I would have thought I would have seen either other state agency personnel, business partners or customers included on the steering committee. It appears only Banking and Finance employees are on the committee? <p><i>This project is intended primarily for internal use and may include public access in a limited capacity. NDBF business partners will be the financial institutions division, the securities division and other NDBF internal users of financial and licensing information.</i></p>
Project Justification / Business Case	<ul style="list-style-type: none"> - Project seems to make a lot of sense and I agree that doing nothing would result in the eventual decay and the quality of information available. - Temporary Staff will no longer need to be employed to reenter data (was not directly stated but assumed); Expense of VPN tokens no longer required; reliable system built utilizing best practices. 	<ul style="list-style-type: none"> - Not sure why the strengths/weaknesses of the PearsonVue solution were not included in this section. It was briefly addressed in the Financial Analysis Section but did not include details. <p><i>The purpose of the RFI was to gain perspective on the conversion of our existing Visual Basic system to VB.net only. After the RFI was completed, NDBF learned of other vendor packages that are available from service providers such as PearsonVue. At the recent Conference of State Banking Supervisors IT Seminar (mentioned in the Financial Analysis Section) NDBF learned of several other State Banking Departments using or converting to CAVU. Thus, we are continuing to evaluate our options.</i></p>
Technical Impact	<ul style="list-style-type: none"> - The argument for being able to use current technology allowing the department to move forward with a reliable environment makes all the sense in the world. - Intend to conform with NITC standards and guidelines; proposing to replace prior to current system failing; 	<ul style="list-style-type: none"> - It is stated that the current IT staff will need to be trained in VB.net but it is not clear if the cost of the VB.net licenses are included in this proposal; <i>VB.Net is a part of Visual Studio, which NDBF plans to purchase for our IT Development Staff from current budget funds. Additional licenses will not be required for this project.</i> <p>I was unable to determine where the physical infrastructure would reside that supports this system. i.e. 501 Building?</p> <ul style="list-style-type: none"> - Little detail shown on reliability, security area. <p><i>Currently the Department of Banking has its own secure data center at the main office, 1230 O Street, Lincoln, NE. The current central information system employs internal firewalls, tape backup, a written business continuity program and allows remote VPN access via RSA tokens.</i></p>
Preliminary Plan for Implementation	<ul style="list-style-type: none"> - Project team appears to represent Agency IT area well. 	<ul style="list-style-type: none"> - Not enough information to score above eight. It does appear however that the agency has a plan to address the implementation. - The indication is there will be two proposals. Unclear about the number "two". <p><i>The two proposals are to migrate our existing system to VB.net and maintain the ongoing project ourselves or to use a third party vendor.</i></p> <p>I would think involvement from IT individuals other</p>

Section	Strengths	Weaknesses
		<p>than internal to Banking and Finance would be beneficial. I saw no mention of experience. No deliverables.</p> <p><i>Since the project is still in the preliminary stages, an implementation plan is in process. NDBF previously used the services of the Office of the CIO for initial direction and to develop the RFI. We will continue to utilize their services as needed.</i></p> <p>- I would suggest based on possible barriers in RISK ASSESSMENT portion to add division head representation to project team to minimize possibilities of division heads not taking ownership of this project. Major milestones and deliverables not shown.</p> <p><i>Division heads will be part of the project team. Major milestones and deliverables will be developed as a migration path is selected.</i></p>
Risk Assessment	<ul style="list-style-type: none"> - Good grasp of the risks from what I've read. - Acknowledgement that loss of financial information is a risk. 	<ul style="list-style-type: none"> - A project manager should be assigned that has no ties to the Department of Banking and Finance so the risk of division heads not taking ownership is negated. An IT Security individual will need to be involved. <p><i>The Department will consider leadership options; however the Department of Banking IT Manager was the Project Manager during the initial FACTS development. Division heads will be instrumental in the development of targets and deliverables regarding their data. An IT security individual will be involved. Department examination staff will also be resources as they are experienced in IT risk assessments, IT audits and hold various certifications such as CISA and CISSP.</i></p>
Financial Analysis and Budget	<ul style="list-style-type: none"> - The programming estimate is based on several quotes received on a recent RFI. - Wide variety of vendors with various references. Budget estimates would appear to match up with several of the vendors from the RFI. 	<ul style="list-style-type: none"> - Not sure what's included in the quotes they provided. I cannot tell what's included is it just programmer time? Are there software license costs? Hardware costs? As a result it is hard to make a real firm judgment in this area at this time. - Ongoing maintenance costs unknown and no estimate projected. No hardware costs projected. No ongoing staff costs projected. - Appear to be significant differences on vendor estimates shown and what the feature differences might be as they relate to price differentials. <p><i>Training is included in our ongoing department staff development and thus part of the general budget and not part of the quotes. We do not anticipate additional software licenses or hardware other than ongoing costs that are already budgeted.</i></p>