

JUDICIAL INFORMATION SYSTEM COMMITTEE

April 17, 2009
9:00 a.m. to 1:00 p.m.
AOC Office, SeaTac, WA

Minutes

Members Present:

Justice Mary Fairhurst, Chair
Judge C. Kenneth Grosse, Vice Chair (by phone)
Ms. Cathy Grindle
Chief Robert Berg
Judge Glenn Phillips
Judge James Heller
Mr. William Holmes
Mr. N. F. Jackson
Mr. Rich Johnson
Mr. Marc Lampson
Judge Thomas J. Wynne

Members Absent:

Mr. Jeff Hall
Mr. Steward Menefee
Judge Michael Trickey
Ms. Yolande Williams
Ms. Siri Woods

Guests Present:

Mr. Shayne Boyd
Mr. Gary Hudson
Mr. Paul Chabot
Mr. Paul Webb

Staff Present:

Ms. Vicky Marin
Mr. Manny Najarro
Ms. Pam Payne
Mr. Ramsey Radwan
Mr. Gregg Richmond

Call to Order

Justice Fairhurst called the meeting to order at 9 a.m. and introductions were made.

February 27, 2009 Meeting Minutes

Mr. N.F. Jackson moved to approve the February 27, 2009 meeting minutes. The motion carried.

Budget Status

Mr. Ramsey Radwan from AOC gave an overview of the current budget situation for the Information Services Division. Budget materials were provided in the meeting packet.

If no budget cuts are made by the Legislature, it is anticipated there will be approximately \$57,000,000 in total funding from the Judicial Information System (JIS) Account, Public Safety and Education Account (PSEA), and the General Fund for the Information Services Division (ISD) and their projects during the next biennium.

The Judicial Information System Committee (JISC) authorized the Administrative Office of the Courts (AOC) to ask the Legislature for \$23,900,000 to fund the Roadmap project and for maintenance in the ISD. The House budget contains \$10,000,000 in funding and the Senate includes \$11,300,000.

In addition, the overall AOC budget has been reduced in the House and Senate budgets and about \$1,200,000 in cuts needs to come from ISD.

The net effect of the proposed budgets is that instead of \$57,000,000 in funding, we are now looking at approximately \$50,000,000.

In addition, the Senate passed SB 5460 a few months ago which limits personal service contracts, job recruitments, and out-of-state travel and equipment purchases over \$5,000 for the remainder of the current biennium. Because of that bill, the AOC is currently running all those items through Chief Justice Gerry Alexander for his approval.

IT Governance, Portfolio Management, Project Management Office

Mr. Shayne Boyd of Sierra Systems (Sierra) gave a presentation of their updated findings and recommendations about IT governance, portfolio management, and project management under the Modernization and Integration Planning initiative for AOC. The presentation was intended to provide the foundation for next steps and activities in the implementation, as well as the integration points with the Ernst & Young plans.

Stakeholders were grouped into three categories: the judicial community (courts throughout the state), external stakeholders (including WSP, DOL, DOC, WSBA, and the public), and the internal AOC departments that use ISD services.

Mr. Boyd described significant gaps in each of the areas they analyzed.

He described ideal IT governance as being drawn from a business plan, aligned with an IT strategy, and providing clear guidance, repeatable processes, and measurable outcomes. They assessed that the current practice has none of those elements. There is no documented process and no predictability from the user perspective.

In the area of the project management office (PMO), it should have resources capable of consistently applying methodologies, specifically to facilitate communication and participation. The ISD PMO has some of the elements, but doesn't have the resources or all of the skill sets needed for ongoing success.

For portfolio management, the value or benefit of the inventory of assets (applications, resources, tools, and templates) undergoes ongoing review, leading to future investments or retirement of applications. None of those elements are in place today.

Measured on the maturity model of the Software Engineering Institute (SEI), ISD is between a zero and a one in maturity. The target would be between three and five, where governance and portfolio management are defined and managed for consistency and predictable, repeatable outcomes, and with complete project management tools and methodologies. SEI says as many as 70% of IT organizations are assessed at a level-one maturity. They also say that it takes six months to two years to move up one level. There's significant change that must be undertaken for the organization to adapt from one level to the next.

Leading industry practice in the industry is delegation of authority—getting the decision making to the lowest level appropriate. Senior bodies must provide the guidance and set the authority, but it must be pushed down. If the whole committee deals with every IT governance issue, things bog down and decisions take far too long—It takes 24 months to implement change instead of 6 months. When the governance process is established, at six months there can be a clear definition of policies so all requests can be identified, analyzed by their nature (such as maintenance item vs. major application change). At later stages of maturity, requests begin to be analyzed by the problem to be solved, then to risk and value, then to full alignment of all the components and evaluation of cost-benefit analysis and return on investment. The first 6-18 months will require a lot of money spent on re-engineering, business process change, organizational change, and retraining. Throughout, there needs to be a significant investment in communication—to the broader stakeholder community, not just to this committee.

An illustration of how the delegation of authority would work is that maintenance requests, which could be evaluated based on the number of hours and effort, and an ISD manager would have authority to recommend or take action. If a request is an enhancement, it would go up the food chain to Gregg, for example up to \$100,000. New function requests would be elevated to the AOC executive level up to a certain dollar value. Larger requests, like to retire or replace an entire application, would go to the senior body. This is industry best practice. It can be indented or expanded, but it emulates some delegation of authorities.

Moving to PMO, IT governance drives PMO. Projects have to come from IT governance to go to the PMO, which delivers, controls, and monitors the project. Part of that process is more consistent feedback on what's going on with projects once they are approved. The maturity process also goes from six months to five years. The process involves setting the methodologies, addressing structure, introducing concepts, and evaluating progress. The final outcome will be driven in part by the IT strategy and business plan. If the solution you decide on is custom development, you will need more project managers to support that development than if you go to a hybrid- or COTS-based model.

Portfolio management has to start with assessment of current assets. Future assets are all the great ideas that come to the table through governance, and the decisions are made based on when the organization is ready and has the money. You have to make the assessment of what to keep and what to replace based on their continuing value, and whether the financial investment for replacement is worth the cost. At six months, the organization should have an inventory of its assets, monitor their performance, and get them in alignment with the business plan and strategy. At 18 months, all applications should be fully described and inventoried, monitored, and measured, then assess them based on business functions (like calendaring, docketing, probation), not applications. All of them must be reviewed as to their measured value and desired outcomes.

The three elements depend on each other to work. The PMO doesn't have direction if IT governance isn't established. If the PMO doesn't deliver, the portfolio isn't valid. The portfolio management is an outcome of the other two. If these three components are implemented, it allows IT to support the business strategy, and you have a higher likelihood of aligning IT investments with the strategy.

What is crucial is your commitment to a new governance model. In the interviews Sierra conducted, the biggest gap was people were not clear on how decisions were made, the evaluation criteria that would be used, and when they would hear back. Leading practice is a delegation from the committee as a whole, and establishing authority for each of the stakeholder groups.

Justice Fairhurst expressed that there has been uncertainty as to who is making decisions, when they are made, when they are final, and who gets to have input on them. Mr. Richmond makes day-to-day decisions and uses his judgment within certain realms and dollar amounts, but other decisions have to come to JISC. She said that establishing governance and setting up decision-making models will give us clarity, consistency, and feedback.

Mr. Boyd said that the most important thing is for the JISC to say they will support governance, agree to a structure, and write down their roles. The senior bodies can come back and change the rules, but once authority is delegated, it's harder to have exceptions. It's very important to codify the rules.

Mr. Holmes raised the issue of how the system would be policed. Mr. Boyd said the way it works is through the chain of command: if someone violates their authority, it immediately gets elevated. If someone denies a request based on applying your criteria, and the requester doesn't like that answer, that person could elevate it. There has to be a way that people can present their cases,

and you would arbitrate it. Mr. Holmes said we need to agree to be responsible for following the structure and ensuring that we are accountable.

Mr. Johnson suggested the JISC put together an ad hoc committee of three or four people to put a proposal together.

Justice Fairhurst proposed that Mr. Johnson, Mr. Jackson, and Ms. Grindle, leveraging good things that were done and the information from Sierra Systems, get together and come back with a proposal at the June meeting.

Mr. Johnson, Mr. Jackson, and Ms. Grindle agreed to do work on it.

Justice Fairhurst added that they need to get the governance in place and attack the backlog. There will be certain standing committees, certain ad hoc committees, certain dollar thresholds. Those things can be revisited as we go along, but to start with, those will be the rules.

Business Planning and IT Strategy

Mr. Paul Chabot, of Ernst & Young gave an update on the Business Planning and IT Strategy project. He cautioned that the dollar amounts and resource levels in the presentation are preliminary and will likely change between now and the final version.

Mr. Chabot talked about the unsustainable position ISD is in, with a complex environment and low organizational maturity. ISD needs to transform to move to a more desirable future state. In the future, ISD will be strongly aligned with customers and have a deep understanding of their needs. It will have governance established at the portfolio and project level, as well as at the enterprise architecture level and everywhere else governance is required in the organization. The future ISD will have a simpler customer environment. It can't continue to be everything to everyone; it needs to start focusing its limited resources on key priority customer groups. Ernst & Young is advocating a move to more modern applications that are more scalable, and easier to enhance, integrate, and maintain. They also recommend implementing architectural guidance that will help ensure you don't have a patchwork of reverse technology. It also means moving forward with the initiative ISD already has underway, Master Data Management, moving toward a unified data model.

Mr. Chabot described the benefits of this transformation. The big benefit to the courts is improving the efficiency of court processes. That will be done by delivering some new systems with greater functionality over existing systems. It will also be achieved by optimizing court processes. As part of the transformation, there will be a necessary standardization of some court processes. That will lead to sharing of leading practices, and increased court efficiency. As a result, ISD will be able to respond more quickly to customer needs; they will be more flexible, the applications they leverage will be easier to configure quickly.

The future ISD will be able to focus its resources on enhancements and improvements to the system. But you need to set expectations with your customers, and deliver against those expectations. The future ISD will have the necessary roles and functions to be able to set and manage expectations with customers, driving increased customer satisfaction.

The strategy lays out short-term, medium-term, and long-term initiatives to accomplish the increased customer satisfaction. The first is Organizational Change Management, the next is capability improvements for maturing the organization, and the third is transitioning off of existing systems onto more modern, scalable systems that are easier to integrate.

The first thing ISD needs to do is reorganize so that it's better aligned with its customers, so it has new functions that are lacking today, new skill sets that are needed to be successful in the future. The next thing is developing an organizational change strategy. Communications and change

management will be critical. You need to define a strategy, start communicating, and get buy-in. In the medium term, you hire to staff up the organization, manage changes within ISD and system changes that impact customers. In the long term, it's making sure that the implementation of new systems goes smoothly and change happens quickly.

For capability improvement, the first step is laying the foundation for the future and starts with project and portfolio management. This makes sure we can deliver projects. The other area to mature is change management, making sure that ISD has the capability to support effective change management. In the medium term, we're looking at implementing some key capabilities that will be able to interface with the customer—today that interface is broken. There's a lack of communication and contact with the customer, and there's a lack of understanding of what customer needs are. Solution management and relationship management will help bridge that gap. In the long term, we're looking at capabilities that support quality service delivery. If the feasibility study determines ISD needs to develop custom solutions, those capabilities will be built in the long term.

For the last section, JIS Transition, the foundation is Master Data Management. Before attempting to implement any new COTS system, ISD needs to get the data situation under control. It also needs to perform a market analysis to understand what products are available today, what may be new since the last time you looked, what can be used, and in what sequence to transition off the legacy systems. In the medium term, the strategy is to deploy COTS systems. Once you are comfortable with that level of change, then in the long term, it's potentially developing custom applications if there is a need for them.

You must start by maturing the organization before taking on implementation of any major new systems. It lays the foundation you need to be successful, then you mature as you go.

To do all of this will require additional staff for ISD and additional funding. It will require some new permanent ISD staff to mature the organization: to establish new capabilities and functions, and to operate once those functions are in place. It also requires temporary staff during the transition because you will be running systems in parallel, which will require additional support. It will also require help from the Judicial Services Division to train and communicate with staff. The capacity required to support the existing systems will be roughly the same capacity required to support the new systems, but ISD will be providing a higher level of service to its customers. Some permanent staff is required because there are skill sets that don't exist within ISD, like relationship management, solution management, security, and compliance. Right now it is about 25-30 new staff, temporary plus permanent. Over the next six years, the transformation will require the majority of the \$7.5 million per year ISD currently spends on projects or Roadmap initiatives.

The next steps are organizational restructuring, communication about changes to come, maturing the PMO and portfolio management capabilities, and defining some of the IT governance—those things can be done now. You can continue to implement Master Data Management, focus on developing a data governance model and a data quality program. The big thing will be performing the marketing analysis, which will provide us with a lot of answers about how many COTS systems will be needed, how many custom systems. The plan assumes three COTS systems and has them developed first because they're easier to deploy and are lower risk. When organizational expertise is developed, then two custom systems are developed in the future. This is the set of assumptions used to estimate costs and resources.

Justice Fairhurst said she had understood the assumption was that there were no COTS systems out there. She asked whether they had factored in that there might not be COTS systems. Mr. Chabot responded that it is very likely they won't find a COTS system that fits perfectly with the courts' requirements today. But there probably has to be a standardization of the court process that might help those COTS systems fit—that's one way of mitigating the issue. If, even taking that

into consideration, there's no COTS system out there, then the strategy plans for custom development.

Justice Fairhurst clarified that no decision has been made that we are going to a COTS system. The feasibility study and the survey are trying to understand to make a decision about what is and isn't available, and whether it will serve our needs. But we're definitely not shifting away from where we are until all those decisions have been made. The plan is to have us in a position so that we can be making these decisions going forward.

Chief Berg stated that the committee has been guilty of three false starts, and is about to commit another if it doesn't have the patience to get up and running what needs to so you can do what you want to do. The customers are going to have to be a little more patient.

Mr. Boyd explained that if there are resource constraints, the plan gets collapsed one way or extended another. The users, though the governance process will dictate what the priorities are.

COMMITTEE REPORTS

Data Management Steering Committee

Mr. Johnson reported that the Vehicle Related Violations data exchange is moving forward a little behind schedule. It's been tested with Everett Municipal and works. It is expected to go into production by the end of June. That was the first exchange effort.

The second priority was to move forward with the Superior Court Data Exchange. He reported that they put an RFP out and have identified the vendor, Cayzen, the same one that did the vehicle-related exchange. The exchange is actually 22 separate exchanges, so they are compartmentalized. They anticipate doing four of them this fiscal year, between now and June 30. The first part of the contract costs around \$600,000. Gregg's staff and the committee have been working hard to get as much as possible done this biennium. The balance of the effort should cost about \$1.4 million. It's a significant investment, but will facilitate local implementation of software products to meet business needs that this committee may not be able to provide for another three to five years. Ultimately it will eliminate duplicate data entry for ancillary superior court systems, like the Pierce County LINX system. We're moving forward with contracts, have a good contractor in place, have a project manager assigned to it, and he's doing a good job, so we're happy with the progress so far.

KEY ACTIVITY STATUS

Mr. Richmond reported that the disaster recovery exercise went extremely well. All the systems came up in the right time. There were people deployed to Philadelphia and Renton. Everything worked as it was supposed to.

NEXT MEETING

The next regular meeting will be June 26, 2009, at the AOC SeaTac facility; from 9:00 a.m. – 1:00 p.m.

There being no other business, the meeting was adjourned at 1:00 p.m.