



Legislative Fiscal Bureau

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December 14, 2006

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Regulation and Licensing: Section 13.10 Request to Provide 2006-07 Funding for Data Integration Project -- Agenda Item IV

The Department of Regulation and Licensing (R&L) is requesting that the Joint Committee on Finance, transfer \$250,000 PR in 2006-07, from the Committee's PR supplemental appropriation [s. 20.865(4)(g) of the statutes] for completion of a data integration project. These amounts were transferred to the Committee's appropriation under 2005 Wisconsin Act 25, the 2005-07 biennial budget act, for potential release to R&L for completion of the data integration project.

BACKGROUND

In July, 2004, R&L hired a consultant [GeoAnalytics] to review the Department's nine database applications, which included the following: (a) an applicant tracking system; (b) an exam tracking system; (c) a credential holder system; (d) a complaint tracking system; (e) Office of Legal Services information; (f) a monitoring system; (g) information on the impaired professional program; (h) a charity licensing system; and (i) a cash register system.

The Department noted that these systems were developed independently, over a period of years, for a variety of reasons, including the protection of sensitive credential holder records as well as separating information made available to different agency personnel in the case of investigative reports and adjudication files. Certain records must be made available to the general public, such as allowing employers or potential clients review: (a) a credential holder's licensure status; and (b) whether there were any existing disciplinary actions against a credential holder. Meanwhile, some records, such as treatment records regarding mental illness, developmental disabilities, alcoholism, or drug dependence, are generally confidential and not available for public inspection. However, the result of these multiple database systems has been a replication of data entry in each system. Basic information such as names and addresses may have to be manually retyped into each data system

that affects applicants or credential holders. The Department stated that this is not only inefficient, but could increase the possibility that all credential holders records are not reviewed at the appropriate time (such as a disconnect between credential applications database that shows whether qualifications are met and the cash box database that shows that all of the required fees are paid) due to slight variances in the way names or addresses are entered.

The feasibility study concluded that the agency should act to integrate its various business applications. GeoAnalytics stated that, such a project would result in increased workload efficiencies at the agency, as multiple data entries for the same credential holder could be minimized, the status of credential holders could be tracked more efficiently, and sensitive data (such as social security numbers, progress for impaired professionals, and case investigation information) could be maintained securely on an integrated network.

Under the 2005-07 biennial budget act, one-time funding of \$270,000 PR in 2005-06 was provided and \$250,000 PR in 2006-07 was placed in the Joint Committee on Finance's PR supplemental appropriation for possible future release to R&L, once it had shown that the project could be completed on schedule and within budget. Revenue placed in the Committee's PR appropriation was derived from R&L's occupational and business credentialing fees.

On May 31, 2006, R&L submitted this request to the Department of Administration, under s. 16.515 of the statutes [14-day passive review], asking that DOA submit the proposal to the Committee for release of the 2006-07 funding. On July 28, 2006, DOA submitted this request to the Committee. However, the Departments were informed that since specific authority was not granted for passive review under s. 16.515 and that the statutory language for the Committee's supplemental appropriation specifies that supplemental requests are to be made under guidelines established under s. 13.101 of the statutes, the request would need to be resubmitted as a s. 13.10 request. The Department of Regulation and Licensing withdrew its s. 16.515 request and has resubmitted the request currently before the Committee. The Department is requesting the transfer of \$250,000 PR from the Committee's PR supplemental appropriation [s. 20.865(4)(g) of the statutes] to R&L's general program operations [s. 20.165(1)(g) of the statutes] to complete the project. The supplement would be provided as one-time funding in 2006-07.

ANALYSIS

In Legislative Fiscal Bureau Paper #646, entitled "Database Integration Funding," dated April 19, 2005, information was provided on recent R&L information technology requests. It was noted that the Department had "experienced difficulties in successfully implementing past major [information technology] IT projects." However, it was also noted that, recently, the Department has had greater success in the area of IT and that the agency had hired a new IT director that had undertaken and completed a number of IT initiatives using base level resources. The Department had used base level resources to do the following: (a) create an on-line update system; (b) design and implement an intranet system that provides information to agency staff on a secured website; (c) complete an extranet project that allows board members to access information such as

disciplinary case materials and other information that has been traditionally mailed to board members on a monthly basis; and (d) hire GeoAnalytics to explore the feasibility of integrating R&L's nine separate database applications.

The Legislature approved the database integration project and provided funding of \$270,000 PR for 2005-06, but specified that funding for 2006-07 (\$250,000 PR) would not be released until the Department showed that the project was on schedule and within budget. The following table identifies the completed tasks, hours of consultant services used and the cost of these activities in 2005-06. Based on information provided by the Department, total costs in 2005-06 were as estimated in Act 25. In addition, R&L was able to evaluate its current business processes in order to better design its future data integration projects.

**Data Integration Funding for 2005-06
(PR Funds)**

<u>Tasks in 2005-06</u>	<u>Consultant Services</u>	<u>Funding</u>
Business Process Diagrams		Base Funding
Logical Data Modeling		Base Funding
Evaluation of Software Options	300 hours	\$15,000
Physical Data Modeling	1,500 hours	75,000
Physical Data Modeling Tools		20,000
Database Cleansing	1,250 hours	62,500
Database Cleansing Tools		20,000
Physical Database Design	750 hours	37,500
Physical Database Design Management Tools	<u> </u>	<u>40,000</u>
2005-06 Totals	3,800 hours	\$270,000

Given that the Department has completed the data integration projects that were scheduled for 2005-06, within budgetary constraints, R&L now seeks the release of funding reserved in the Committee's PR supplemental appropriation so that the integration project funded under Act 25 can be completed. The following table shows the remaining tasks and estimated project costs in 2006-07.

**Data Integration Funding for 2006-07
(PR Funds)**

<u>Tasks in 2006-07</u>	<u>Consultant Services</u>	<u>Funding</u>
Implementation Phase I	300 hours	\$15,000
Implementation Phase II	1,500 hours	75,000
Implementation Phase II - Testing and Analysis		50,000
Implementation Phase III	1,500 hours	75,000
Implementation Phase III -Training	<u> </u>	<u>35,000</u>
 2006-07 Totals	 3,300 hours	 \$250,000

Phase I would include: (a) creation of holding area for documents and documentation of underlying data; and (b) name and address tracking.

Phase II would include: (a) a module for handling credential applicant information; and (b) a module for handling approved credential holders information. These modules would then be tested.

Phase III would complete the remaining modules, which would include information that are currently on the remaining databases (intake, complaint and case management, decisions of the boards, enforcement, and the impaired professional program). The Department would also create a module that would handle reports created by R&L employees. Finally, the R&L staff would be trained on the new database. It is anticipated that the data integration project would be completed by the end of 2006-07.

CONCLUSION

Given that the Department has met the requirements specified under 2005 Wisconsin Act 25 by completing the data integration projects funded in 2005-06, on time and within budget, the Committee may wish to transfer \$250,000 PR in 2006-07 from the Committee's PR supplemental appropriation [s. 20.856(4)(g) of the statutes] to the Department's s. 20.165(1)(g) appropriation, for completion of the project. The Committee may also wish to specify that this funding be provided as non-base building (one-time) funding as was the case for the funding provided in 2005-06.

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