



Minnesota Department of **Human Services**

# **Minnesota Department of Human Services Child Support Enforcement Division (CSED) Analysis of Service Delivery Model (ASDM) Project**

**Final Report and Integrated Roadmap — (Deliverable #4)**

November 21, 2009

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# Table of Contents

- EXECUTIVE SUMMARY ..... 7**
  - PROJECT OVERVIEW AND OBJECTIVES ..... 7
  - OUR APPROACH TO THE ASDM PROJECT ..... 7
  - FINAL REPORT AND INTEGRATED ROADMAP (DELIVERABLE #4) ..... 9
  - INTEGRATED ROADMAP SUMMARY ..... 11
  - CONCLUSION ..... 15
- OVERVIEW AND APPROACH ..... 16**
  - PROJECT OVERVIEW ..... 16
  - CSED OBJECTIVES ..... 16
  - SERVICE DELIVERY MODEL ASSESSMENT METHODOLOGY ..... 17
  - FINAL REPORT AND INTEGRATED ROADMAP (DELIVERABLE #4) OVERVIEW ..... 38
- EXISTING SERVICE DELIVERY MODEL ASSESSMENT ..... 42**
  - SUMMARY OF CURRENT SERVICE DELIVERY MODEL AND PROGRAM PERFORMANCE ..... 42
  - KEY QUESTIONS AND ANSWERS ..... 50
  - SUMMARY OF INDUSTRY ANALYSIS ..... 52
  - SUMMARY OF OPTIONS ..... 63
  - RATIONALE FOR SELECTION OF A SERVICE DELIVERY MODEL OPTION ..... 66
  - OPTIONS ANALYSIS CONCLUSION ..... 72
- IMPLEMENTATION PLAN ..... 75**
  - OVERVIEW OF SELECTED OPTION – STATE OPERATED REGIONAL OFFICES ..... 75
  - UPDATED OPTION PROFILE AND COST BENEFIT AND ROI ANALYSIS ..... 79
  - ASSUMPTIONS ..... 96
  - SUMMARY OF IMPLEMENTATION PLAN ..... 97
  - KEY QUESTIONS AND ANSWERS ..... 100
  - IMPLEMENTATION PLAN CONCLUSION ..... 102
- INTEGRATED ROADMAP ..... 103**
  - ONGOING THREADS ..... 107
  - PHASE 1 PROJECTS ..... 112
  - PHASE 2 PROJECTS ..... 137
  - PHASE 3 PROJECTS ..... 161

INTEGRATED ROADMAP CONCLUSION..... 173

**APPENDIX A – INTEGRATED ROADMAP ..... 176**

# Table of Tables

TABLE 1: SUMMARY OF PROJECT PROFILES ..... 15

TABLE 2: KEY DOCUMENTS REVIEWED ..... 21

TABLE 3: NUMBER OF SESSIONS PARTICIPANTS ..... 23

TABLE 4: LIST OF COUNTIES REPRESENTED IN THE ASSESSMENT SESSIONS ..... 25

TABLE 5: STATES SELECTED FOR BENCHMARK STUDY ..... 30

TABLE 6: DELIVERABLE EXPECTATIONS MEETINGS..... 39

TABLE 7: EXECUTIVE BRIEFINGS..... 40

TABLE 8: MINNESOTA THREE-YEAR PERFORMANCE – FEDERAL PERFORMANCE MEASURES..... 43

TABLE 9: STATES SELECTED FOR BENCHMARK STUDY ..... 53

TABLE 10: BENCHMARK STATES FEDERAL PERFORMANCE MEASURES ..... 53

TABLE 11: BENCHMARK STATES AT A GLANCE ..... 54

TABLE 12: SUMMARY OF OTHER PRACTICES..... 55

TABLE 13: CSED EVALUATION CRITERIA..... 56

TABLE 14: CONSISTENCY ..... 57

TABLE 15: COST EFFECTIVENESS ..... 58

TABLE 16: PERFORMANCE DRIVEN ..... 59

TABLE 17: CLEAR DELINEATION OF ROLES AND RESPONSIBILITIES ..... 60

TABLE 18: ACCOUNTABILITY ..... 61

TABLE 19: SIMPLIFICATION AND STREAMLINING ..... 62

TABLE 20: OPTION 1 PROS AND CONS ..... 64

TABLE 21: OPTION 2 PROS AND CONS ..... 65

TABLE 22: OPTION 3 PROS AND CONS ..... 66

TABLE 23: ALIGNMENT OF ORGANIZATIONAL OPTIONS TO PROGRAM’S OBJECTIVES..... 70

TABLE 24: OPTION EVALUATION CRITERIA ..... 71

TABLE 25: ALIGNMENT OF ORGANIZATIONAL OPTIONS TO EVALUATION CRITERIA ..... 72

TABLE 26: OPTION EVALUATION CRITERIA ..... 77

TABLE 27: OPTION PROFILE – OPTION 1: STATE OPERATED REGIONAL OFFICES ..... 86

TABLE 28: SUMMARY OF PROJECT PROFILES ..... 107

TABLE 29: PROJECT MANAGEMENT ..... 109

TABLE 30: CHANGE MANAGEMENT ..... 112

TABLE 31: DEVELOP STRATEGY TO MANAGE LEGISLATIVE, POLICY, AND FEDERAL CHANGES ..... 116

TABLE 32: ESTABLISH GOVERNANCE STRUCTURE ..... 118

TABLE 33: CONDUCT A TO-BE PROCESS ANALYSIS ..... 120

TABLE 34: RATIONALIZE REPORTS..... 121

TABLE 35: IMPROVE FEDERAL PERFORMANCE MEASURES ..... 123

TABLE 36: CONDUCT ORGANIZATIONAL DESIGN ASSESSMENT ..... 125

TABLE 37: CONDUCT SERVICE DELIVERY MODEL TECHNOLOGY ASSESSMENT..... 127

TABLE 38: IMPROVE DATA QUALITY ..... 129

TABLE 39: ESTABLISH PERFORMANCE MANAGEMENT FRAMEWORK..... 131

TABLE 40: ESTABLISH TECHNICAL INFRASTRUCTURE..... 134

TABLE 41: CONDUCT IMPLEMENTATION READINESS ASSESSMENTS (IRAs) ..... 135

TABLE 42: ENHANCE IWO PROCESSES ..... 136

TABLE 43: IMPLEMENT NEW PROCESSES, PROCEDURES, AND POLICIES ..... 140

TABLE 44: TRANSITION AND SUPPORT WORKFORCE..... 141

TABLE 45: IMPLEMENT SERVICE DELIVERY MODEL TECHNOLOGY MODIFICATIONS..... 142

TABLE 46: ASSESS AND PLAN FOR SECURITY MANAGEMENT ..... 144

TABLE 47: IMPLEMENT ENTERPRISE CONTENT MANAGEMENT (ECM) ..... 146

TABLE 48: IMPLEMENT CUSTOMER RELATIONSHIP MANAGEMENT (CRM) ..... 148

TABLE 49: INCREMENTAL RENEWAL – CASE INITIATION ..... 151

TABLE 50: CONDUCT FACILITIES ANALYSIS ..... 152

TABLE 51: CONDUCT FACILITIES BUILD-OUT..... 153

TABLE 52: ENHANCE SELF SERVICE..... 155

TABLE 53: INCREMENTAL RENEWAL – LOCATE ..... 158

TABLE 54: IMPROVE REPORTING CAPABILITIES AND ANALYTICS ..... 160

TABLE 55: INCREMENTAL RENEWAL – ESTABLISHMENT..... 166

TABLE 56: INCREMENTAL RENEWAL – ENFORCEMENT ..... 169

TABLE 57: INCREMENTAL RENEWAL – FINANCIALS..... 173

# Table of Figures

FIGURE 1: SERVICE DELIVERY MODEL ASSESSMENT METHODOLOGY ..... 8

FIGURE 2: INTEGRATED ROADMAP..... 12

FIGURE 3: INTEGRATED ROADMAP LEGEND..... 13

FIGURE 4: SERVICE DELIVERY MODEL ASSESSMENT METHODOLOGY ..... 18

FIGURE 5: TYPES OF PARTICIPANTS REPRESENTED IN THE ASSESSMENT SESSIONS..... 24

FIGURE 6: COUNTIES REPRESENTED IN THE ASSESSMENT SESSIONS BY CASELOAD..... 26

FIGURE 7: OUR APPROACH TO DATA ANALYSIS ..... 28

FIGURE 8: COST BENEFIT CALCULATION METHODOLOGY ..... 32

FIGURE 9: IMPLEMENTATION PLANNING APPROACH ..... 34

FIGURE 10: IMPLEMENTATION THREADS ..... 35

FIGURE 11: IMPLEMENTATION PHASES ..... 36

FIGURE 12: COLLECTIONS AND EXPENDITURES INCREASES 2004-2008 ..... 44

FIGURE 13: RATE OF ANNUAL COLLECTIONS AND EXPENDITURES INCREASE ..... 45

FIGURE 14: COUNTY AND STATE EXPENDITURE AND FTE TRENDS 2004-2008 ..... 46

FIGURE 15: DIRECT AND INDIRECT COUNTY EXPENDITURES 2004-2008 ..... 47

FIGURE 16: COUNTY EXPENDITURES- SALARIES & BENEFITS, DIRECT AND INDIRECT COSTS 2004-2008 ..... 48

FIGURE 17: MARGINAL RETURN ON INVESTMENT 2004-2008 ..... 49

FIGURE 18: MINNESOTA CHILD SUPPORT STRATEGIC GOALS AND STRATEGIES ..... 67

FIGURE 19: SUMMARY OF ROI AND BREAKEVEN ANALYSIS FOR OPTIONS ..... 73

FIGURE 20: SUMMARY OF ONGOING ANNUAL PROGRAM COSTS FOR OPTIONS ..... 74

FIGURE 21: MINNESOTA CHILD SUPPORT STRATEGIC GOALS AND STRATEGIES ..... 76

FIGURE 22: SUMMARY CHARTS – OPTION 1: STATE OPERATED REGIONAL OFFICES ..... 79

FIGURE 23: OPTION 1 ORIGINAL RESOURCE TIME AND COST ESTIMATES ..... 81

FIGURE 24: OPTION 1 REVISED RESOURCE TIME AND COST ESTIMATES ..... 81

FIGURE 25: IMPLEMENTATION DELIVERABLES ACROSS PHASES AND THREADS ..... 98

FIGURE 26: INTEGRATED ROADMAP ..... 104

FIGURE 27: INTEGRATED ROADMAP LEGEND ..... 105

FIGURE 28: ONGOING THREADS OF INTEGRATED ROADMAP ..... 108

FIGURE 29: PHASE 1 INTEGRATED ROADMAP PROJECTS ..... 114

FIGURE 30: PHASE 2 INTEGRATED ROADMAP PROJECTS ..... 138

FIGURE 31: PHASE 3 INTEGRATED ROADMAP PROJECTS ..... 162

# Executive Summary

## Project Overview and Objectives

- 1 The State of Minnesota Department of Human Services Child Support Enforcement Division (CSED) is responsible for managing one of the top performing child support enforcement programs in the United States. The success of the program is evidenced by its strong performance in a number of the federal performance measures and, more importantly, by the outcomes it has created for Minnesota’s families and citizens.
- 2 The business environment surrounding child support enforcement has changed significantly in recent years. Increasing customer service demands from constituents, rising caseloads, increased competition for incentive funding, and the recent reduction in federal matching funds for federal incentives, although temporarily reinstated, are causing many states, including Minnesota, to re-evaluate whether child support services can be more effectively delivered through improved service delivery models or service channels. This Analysis of the Service Delivery Model (ASDM) Project is a mechanism to identify how Minnesota may be able to improve the efficiency and effectiveness of its child support program while maintaining or improving the program’s overall performance.
- 3 Despite its historical track record of success, CSED has lagged behind its peers in the cost effectiveness of its program administration. Accordingly, CSED decided to undertake a comprehensive effort to assess the structural effectiveness, efficiency, and viability of the child support program in Minnesota. The objective of this effort is to identify an alternative service delivery model that would allow the state to manage the most cost effective program possible and still maintain a high level of performance for Minnesota’s families and children while complying with all federal requirements, and then begin to identify the steps necessary to implement such a model.
- 4 This document represents the completion of the final phase of the ASDM Project and constitutes the fourth and final deliverable. The **Final Report and Integrated Roadmap (Deliverable #4)** summarizes the earlier phases of the ASDM Project and the results of these phases as presented in the **Existing Service Delivery Model Assessment (Deliverable #2)** and the **Implementation Plan (Deliverable #3)**. It also describes an Integrated Roadmap that provides an overview of the discrete implementation projects resulting from both the Policy BPR and ASDM Projects.

## Our Approach to the ASDM Project

- 5 The methodology employed throughout the ASDM Project consists of six phases, as detailed in Figure 1.

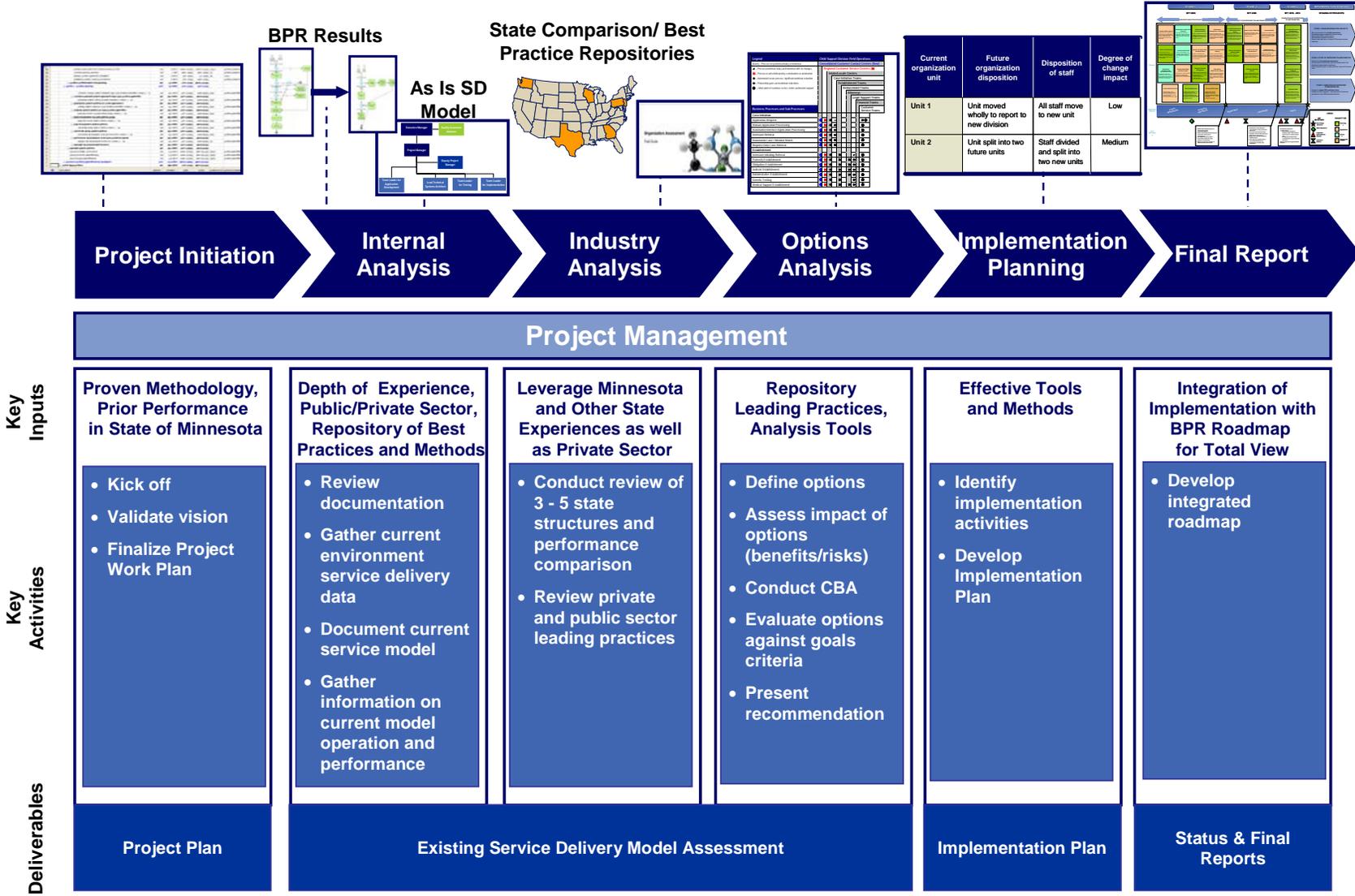


Figure 1: Service Delivery Model Assessment Methodology

6 Our approach to helping CSED evaluate its current service delivery model and identify areas for potential improvement using the Service Delivery Model Assessment Methodology required concurrent exploration of the following areas:

- **Process.** An efficient child support enforcement program relies on business processes that are effective and consistent. More importantly, efficient, effective, and consistent processes must be enforced. Our approach included leveraging our lessons learned from the Policy BPR Project to inform the future service delivery model considerations.
- **Organization & Program Structure.** A child support enforcement program's efficiency is often a function of its organizational and service delivery structure. The organization and staffing structure should promote effective and cost efficient case processing and consistent service delivery. Our approach included evaluating Minnesota's program structure, its staffing structure and alignment, and options around centralization, regionalization, specialization or privatization.
- **Service Channels.** Service channels are the ways in which child support enforcement clients receive services from the State's child support enforcement program. Efficient child support programs should explore alternative service delivery methods (i.e., self service through the Internet) that promote more cost-effective service delivery. Our approach included the evaluation of options for alternative service delivery channels, as well as industry leading practices that may be applied to Minnesota's child support enforcement program.
- **Technology.** Technology is a key enabler for efficient business processes, but more importantly acts as an enforcer for standardization and consistency in service delivery. Efficient service delivery models integrate their technology strategy with their service delivery strategies. Our approach integrates the results of our technology assessment report from the Policy BPR Project to determine whether there are ways to use technology to enforce consistency and standardization.
- **Performance Management.** Efficient service delivery models include a strong performance management and monitoring function to confirm that the organization, technology, and processes are achieving efficient, effective, and consistent outcomes.

## Final Report and Integrated Roadmap<sup>1</sup> (Deliverable #4)

7 The *Final Report and Integrated Roadmap (Deliverable #4)* is the final deliverable of the ASDM Project. It consists of two components:

- **Periodic Updates and Other Communications** – A component of this deliverable includes the various activities that have been completed to provide status updates and information sharing regarding the project. These activities have included project status reports, deliverable expectation meetings, executive briefings, Steering Committee meetings, a conference appearance, and informal status reporting mechanisms which have been ongoing throughout the life of the ASDM Project. In addition, we will be pleased to present an oral final report to bring stakeholders up to speed on the assessments, recommendations, and integrated roadmap for the future of child support in Minnesota and to support the results of our final report in front of the legislative audience with an approach mutually agreed upon by both Deloitte and DHS CSED.
- **Final Report and Integrated Roadmap** – This deliverable summarizes the earlier phases of the ASDM Project and the results of these phases as presented in the *Existing Service Delivery Model Assessment (Deliverable #2)* and the *Implementation Plan (Deliverable #3)*. In addition, it

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<sup>1</sup> The *Final Report and Integrated Roadmap (Deliverable #4)* is formally referenced in Deloitte's proposal as the *Presentation of Periodic Updates and Final Report*.

includes an integrated roadmap that provides an overview of the discrete implementation projects resulting from both the Policy BPR and ASDM Projects. Both of these are provided in this document and associated appendices.

- 8 As mentioned, this *Final Report and Integrated Roadmap (Deliverable #4)* is more than just a summary of the previous deliverables. In addition to summarizing the service delivery model recommendation and implementation plan developed during the Assessment and Planning phases of this project, the deliverable includes an integrated roadmap that provides a broad view of projects resulting from the Policy BPR and Analysis of Service Delivery Model projects.
- 9 The Policy BPR Project consisted of a comprehensive effort to identify opportunities to streamline the business processes of the child support program, assess the portfolio of technology that currently supports the business, and ultimately identify opportunities to improve the program and the technology that supports it. The project entailed an assessment of CSED's existing policies, processes, and procedures with the purpose of providing a basis for making recommendations that CSED could implement to reduce program complexity and/or improve efficiency. This assessment included not only a review of existing documentation, but also interactive process sessions and interviews with all levels of the child support program to validate the current process environment and share ideas for future improvement, and a comprehensive benchmarking study of six states and other leading practices. The Project also involved a thorough assessment of CSED's existing manual and automated processes, applications, and technology, the result of which was a detailed list of recommendations for the core applications and process automation in general. The culmination of the Policy BPR Project was the grouping of these recommendations into discrete projects and the creation of a roadmap for implementing these projects.
- 10 We realize that many organizational change opportunities identified as a result of the ASDM Project will have a direct relation to or dependency on Policy BPR recommendations, which will dictate a coordinated effort for these two distinct projects. The integrated roadmap depicts a plan for Minnesota's program, which includes business process, technology, performance, and organization / staffing changes.
- 11 The integrated roadmap provides CSED with a timeline illustrating a series of initiatives that can be implemented in both the short-term and long-term.
- 12 Below is a list of activities that were completed to develop the integrated roadmap:
- **Assess projects.** The projects resulting from the Policy BPR and Service Delivery Models Projects were assessed for related activities, dependencies, and alignment. We used the Policy BPR Roadmap and the Service Delivery Model Implementation Plan to conduct our assessment.
  - **Prioritize and analyze projects.** After the project assessment was completed, we aligned and prioritized projects. Projects were aligned based on related activities. We used the priorities established during the Policy BPR Project as the baseline for establishing priorities. We facilitated a work session with CSED to analyze the project priorities prior to completing the integrated roadmap.
  - **Integrate.** An integrated roadmap was developed using the results from the assessment and prioritization steps. The roadmap included an implementation timeline, dependencies, and alignment with CSED's vision for the future of its child support program. Each project shown on the integrated roadmap is also described in greater detail in descriptive tables and narrative.

## **Integrated Roadmap Summary**

- 13 We recognize that many organizational change opportunities identified as a result of the Assessment of Service Delivery Model (ASDM) Project will have a direct relation to or dependency on a Policy BPR Project activity. CSED's vision of implementing the activities from both of these projects will necessitate a coordinated effort between these two distinct work efforts. Leveraging our understanding of CSED's desired future business state attained through the Policy BPR Project and through work with CSED to determine overall program goals, we developed an Integrated Roadmap that depicts a plan for the Minnesota child support program, including business process, technology, performance, and organization / staffing changes. The Integrated Roadmap shown in Figure 2 and Figure 3 provides a holistic view of both ASDM and Policy BPR projects and their respective timing in one view which will allow decision makers to visualize how the various projects fit together in the effort for CSED to evolve into the efficient, effective organization that it seeks to be.

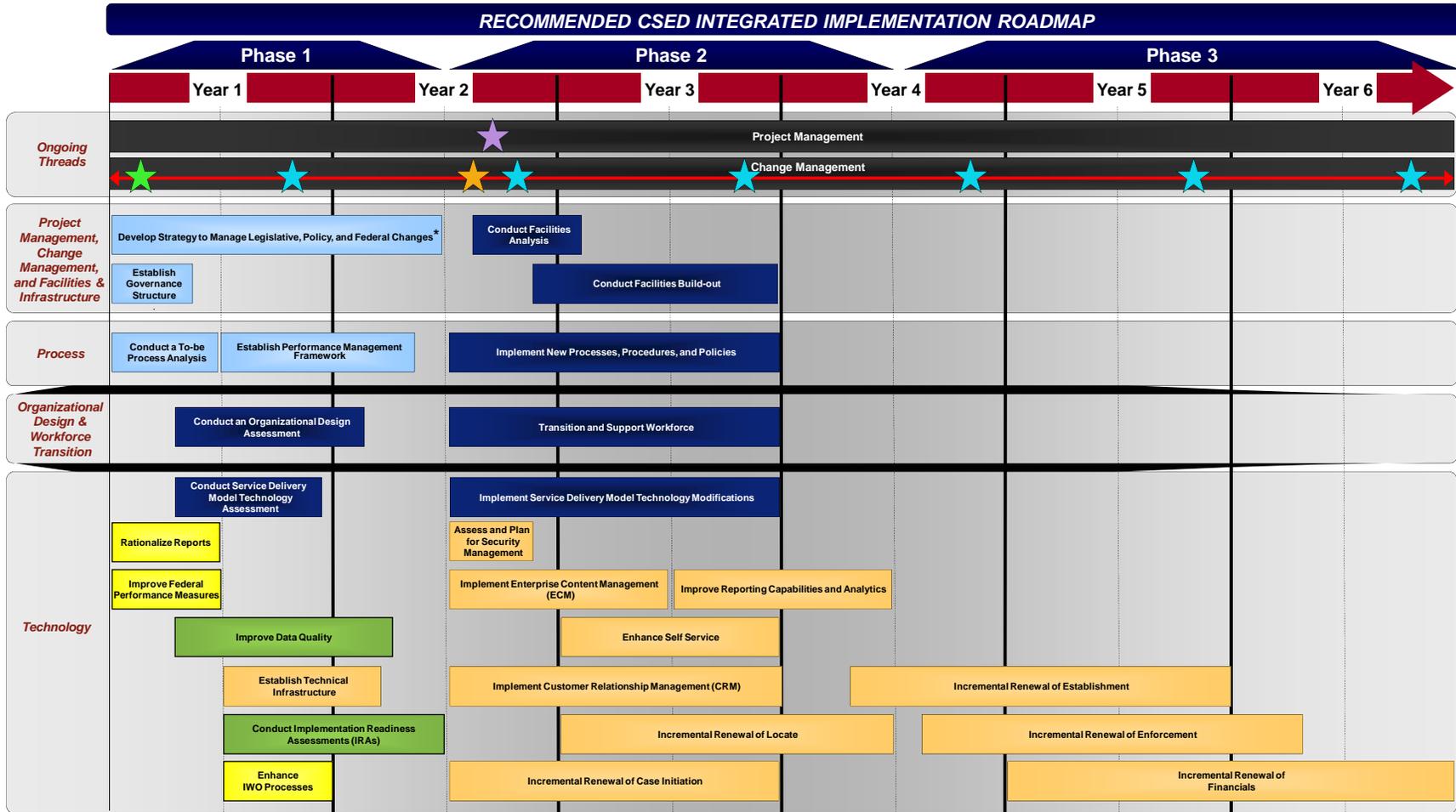
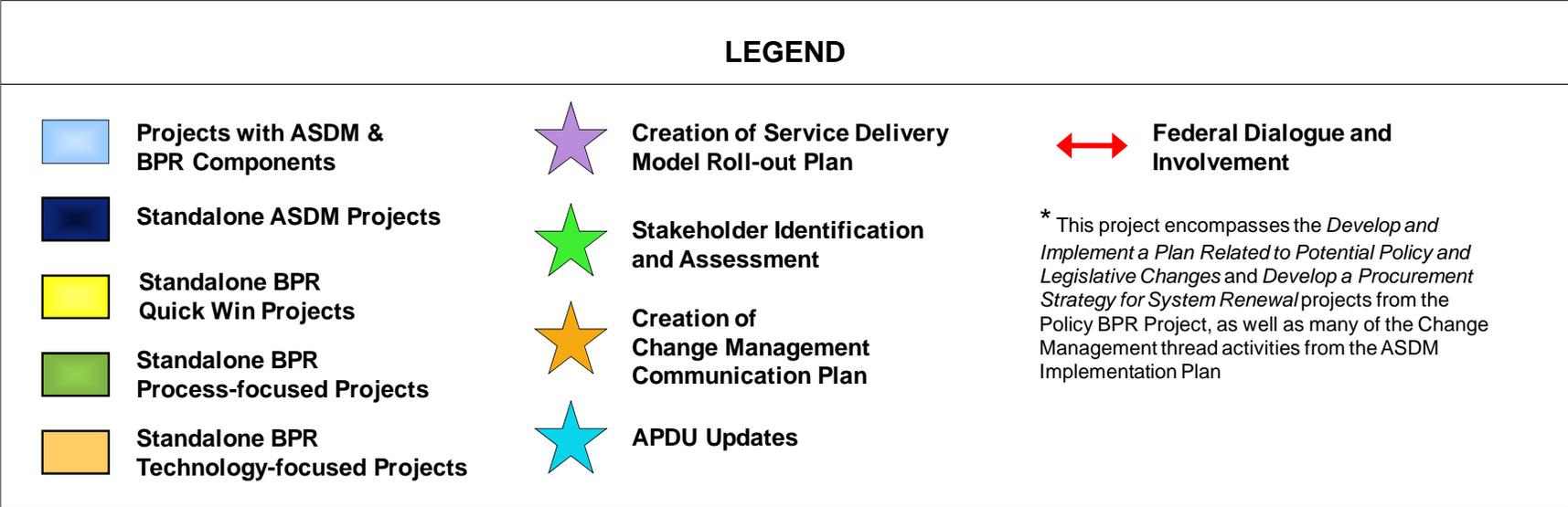


Figure 2: Integrated Roadmap



**Figure 3: Integrated Roadmap Legend**

14 The Integrated Roadmap presents a view of the full implementation of both the Policy BPR and ASDM projects over the course of a CSED chosen six year period of time. This six year period has been divided into three phases throughout the implementation timeframe. The first phase, estimated to take 18 months, lays the foundation for the future activities. Projects in this phase include many of the planning, analysis, and assessment activities that will be required to prepare for the transition to a new service delivery model and for system renewal. Also included in this phase are quick-win projects that were identified during the Policy BPR Project that will allow CSED to see some early return on investment in the roadmap implementation effort. The second phase is estimated to take two years to complete and includes the full implementation of the state operated service delivery model, as well as many of the recommended Policy BPR projects. We have selected targeted technology projects to be completed during this phase that we feel will be critical for implementation of the state operated service delivery model. For example, the Implement Customer Relationship Management and Implement Enterprise Content Management projects will provide needed technology support in the areas of customer service and case record management. At the end of Phase 2, the program will be operating under the State Operated Regional Offices service delivery model while it completes the remaining system renewal projects. Phase 3 of the Integrated Roadmap spans two and a half years and consists of the last three system renewal projects presented in the Policy BPR Project. At the end of Phase 3, CSED will have implemented all the projects that have been identified to implement a new service delivery model, streamline policies and procedures, and renew the statewide computer system. Table 1 presents a list of all of the Integrated Roadmap projects and their estimated durations by Phase, as well as the Ongoing Threads which will be performed throughout the life of the implementation.

Project Name	Estimated Duration	Project Origin
<b>Ongoing Threads (Phases 1-3)</b>		
Project Management	Entire duration of implementation	Combined ASDM and Policy BPR
Change Management	Entire duration of implementation	Combined ASDM and Policy BPR
<b>Phase 1</b>		
Develop Strategy to Manage Legislative, Policy, and Federal Changes	16-18 months	Combined ASDM and Policy BPR
Establish Governance Structure	3-4 months	Combined ASDM and Policy BPR
Conduct a To-Be Process Analysis	4-6 months	Combined ASDM and Policy BPR
Rationalize Reports	4-6 months	Policy BPR
Improve Federal Performance Measures	5-6 months	Policy BPR
Conduct Organizational Design Assessment	8-10 months	ASDM
Conduct Service Delivery Model Technology Assessment	7-8 months	ASDM
Improve Data Quality	10-12 months	Policy BPR
Establish Performance Management Framework	8-10 months	Combined ASDM and Policy BPR
Establish Technical Infrastructure	6-9 months	Policy BPR
Conduct Implementation Readiness Assessments (IRAs)	10-12 months	Policy BPR
Enhance IWO Processes	3-6 months	Policy BPR
<b>Phase 2</b>		
Implement New Processes, Procedures, and Policies	16-18 months	ASDM
Transition and Support Workforce	16-18 months	ASDM
Implement Service Delivery Model Technology Modifications	16-18 months	ASDM
Assess and Plan for Security Management	4-6 months	Policy BPR
Implement Enterprise Content Management (ECM)	9-12 months	Policy BPR
Implement Customer Relationship Management (CRM)	15-18 months	Policy BPR

Project Name	Estimated Duration	Project Origin
Incremental Renewal – Case Initiation	16-18 months	Policy BPR
Conduct Facilities Analysis	4-6 months	ASDM
Conduct Facilities Build-out	12-14 months	ASDM
Enhance Self Service	9-12 months	Policy BPR
Incremental Renewal – Locate	16-18 months	Policy BPR
Improve Reporting Capabilities and Analytics	9-12 months	Policy BPR
<b>Phase 3</b>		
Incremental Renewal – Establishment	18-24 months	Policy BPR
Incremental Renewal – Enforcement	18-24 months	Policy BPR
Incremental Renewal – Financials	18-24 months	Policy BPR

**Table 1: Summary of Project Profiles**

## Conclusion

- 15 Through the course of the ASDM and Policy BPR projects, CSED chose to undertake a comprehensive effort to assess the structural effectiveness, efficiency, and viability of the child support program and to identify opportunities to streamline and improve processes and operations. The Integrated Roadmap is the culmination of our efforts to assist CSED in this effort. Completion of the projects presented in the Integrated Roadmap will not only transition the Minnesota child support program to the State Operated Regional Offices service delivery model recommended in the ASDM Project, but will also implement the policy, process, and technology recommendations that were identified in the Policy BPR Project. Implementing the projects in this Integrated Roadmap will transform the people, processes, and technology of the Minnesota child support program and enable CSED to move forward with realizing the program’s strategic goals and future vision.
- 16 Should CSED choose to move forward with implementing the projects contained within the Integrated Roadmap, it will take a concentrated effort of staff, management, and stakeholders dedicated to the child support program. A transformation effort of the size and scope of this one will require substantial time and resources to complete successfully. While we have identified the key projects and activities that will need to occur and have also provided estimates related to resource and transition time and costs, moving forward with this implementation will require a concerted planning effort by CSED and the dedication of appropriate internal staff to champion the effort.

# Overview and Approach

## Project Overview

- 17 The Department of Human Services (DHS) Child Support Enforcement Division (CSED) decided to assess the structural effectiveness, efficiency, and viability of the Minnesota child support enforcement program with the intent of identifying options that foster greater performance and cost effectiveness. The information gained from this evaluation and the results of the Policy Business Process Redesign (Policy BPR) Project were used to develop an integrated roadmap for strengthening Minnesota’s child support enforcement program.
- 18 To accomplish this effort, the Department of Human Services (DHS) contracted the services of Deloitte Consulting LLP to:
- Assess Minnesota’s current child support enforcement service delivery model
  - Compare Minnesota’s performance and organizational structure with other states
  - Identify opportunities to organizationally support new processes and recommend service delivery model options that support the vision for the child support program
  - Complete a complexity, risk, and impact analysis for each of the identified service delivery model options
  - Develop an implementation plan to implement the recommended service delivery model option
  - Develop an integrated roadmap to bring together the critical projects identified in both the Policy BPR and Analysis of Service Delivery Model projects

### DHS CSED Project Goals

- Help the Minnesota Child Support Enforcement Division streamline service delivery and remain in compliance with federal requirements, as well as meet or exceed performance standards
- Help the program manage the most cost-effective program possible
- Formulate opportunities in coordination and consideration of other DHS initiatives
- Create a plan for an incremental transition towards the proposed service delivery model, keeping in mind the impacts to the people performing the work and customers receiving the State’s services

## CSED Objectives

- 19 Listed below are the goals identified by the CSED Executive Leadership that support the strategies outlined in the Minnesota Child Support Program’s 2008-2012 Strategic Plan:
- Be efficient, consistent and responsive in our operations
    - Maintain and improve a sustainable infrastructure
    - Establish statewide delivery standards

Streamline operation and service delivery

- Be effective, maximize overall performance and outcomes

Meet or exceed federal upper thresholds for earning incentives

Provide proactive case management

- Be responsive, provide consistent high quality customer service

Recruit, train, develop, and retain highly-skilled child support program professionals

Make our program more available and accessible to those who need it

Build and sustain collaborative relationships with those who help deliver our services

## Service Delivery Model Assessment Methodology

- 20 Deloitte's Service Delivery Model Assessment™ methodology consists of six phases and includes a set of tools and templates to assess and redesign the aspects of a Public Sector organization's program or business. The tools and templates were used to gather the information needed to answer key organizational questions identified in the RFP. The flexibility of the methodology allowed us to accelerate the service delivery model assessment by heavily leveraging the Policy BPR pain points and future recommendations from the Policy BPR Project. Leveraging the Policy BPR data provided continuity of thought about the future vision for the child support program as well as linking the projects so that the service delivery model supports the services to be delivered.
- 21 Our methodology was structured in a way that allowed the six phases to effectively operate in tandem. Figure 4 shows the key inputs, activities, and resulting deliverables mapped against each phase for a view of the overall process.

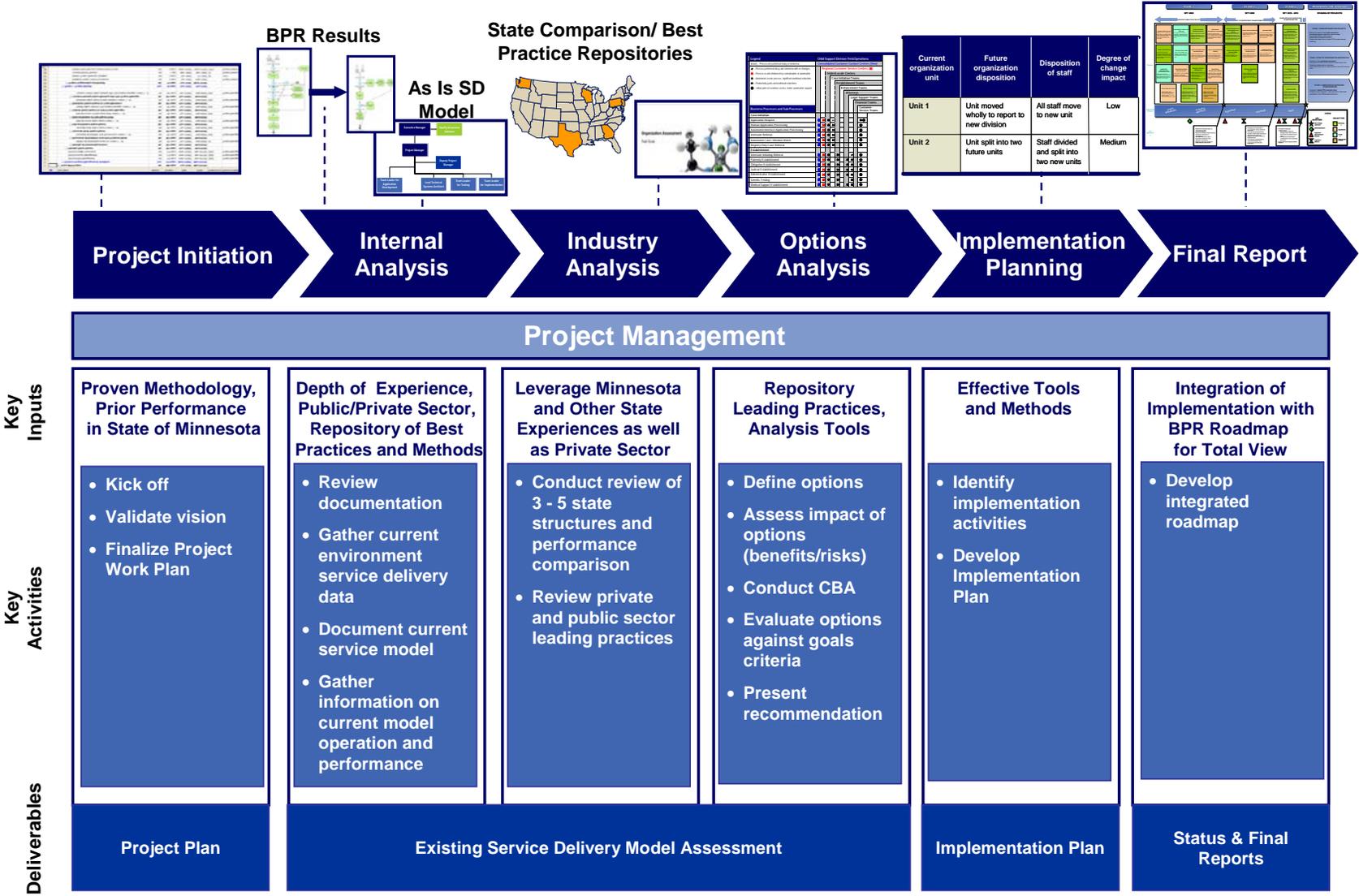


Figure 4: Service Delivery Model Assessment Methodology

22 Our approach to helping CSED evaluate its current service delivery model and identify areas for potential improvement using the Service Delivery Model Assessment Methodology required concurrent exploration of the following areas:

- **Process.** An efficient child support enforcement program relies on business processes that are effective and consistent. More importantly, efficient, effective, and consistent processes must be enforced. Our approach included leveraging our lessons learned from the Policy BPR Project to inform the future service delivery model considerations.
- **Organization & Program Structure.** A child support enforcement program's efficiency is often a function of its organizational and service delivery structure. The organization and staffing structure should promote effective and cost efficient case processing and consistent service delivery. Our approach included evaluating Minnesota's program structure, its staffing structure and alignment, and options around centralization, regionalization, specialization, or privatization.
- **Service Channels.** Service channels are the ways in which child support enforcement clients receive services from the State's child support enforcement program. Efficient child support programs should explore alternative service delivery methods (i.e., self service through the Internet) that promote more cost-effective service delivery. Our approach included the evaluation of options for alternative service delivery channels, as well as industry leading practices that may be applied to Minnesota's child support enforcement program.
- **Technology.** Technology is a key enabler for efficient business processes, but more importantly acts as an enforcer for standardization and consistency in service delivery. Efficient service delivery models integrate their technology strategy with their service delivery strategies. Our approach integrates the results of our technology assessment report from the Policy BPR Project to determine whether there are ways to use technology to enforce consistency and standardization.
- **Performance Management.** Efficient service delivery models include a strong performance management and monitoring function to confirm that the organization, technology, and processes are achieving efficient, effective, and consistent outcomes.

23 The activities and tools described in the following sections for each of the Service Delivery Model Assessment™ methodology phases were used to gather and analyze the data related to the processes, technology, people, current organizational structure, and performance.

### Project Initiation

24 The purpose of the Project Initiation phase was to provide planning and preparation for the Analysis of Service Delivery Model Project, including preparation of the *Updated Project Plan (Deliverable #1)*.

25 During this phase, one of the more critical activities was to verify the vision of the project with CSED. Because circumstances and issues arise between the release and award of an RFP, Deloitte worked with CSED to make sure it understood the purpose and vision of the project.

26 In addition, we worked with CSED to clarify the number of service delivery model assessment workshop sessions and the topics for each session. We used the Child Support IndustryPrint™ sub-process groupings from the Policy BPR Project to initially identify the topics of the sessions, by child support process and sub-process. In addition to providing us the core structure of the ASDM sessions, this grouping of functions also created a framework for comparing / contrasting other states' service delivery models, performance, and best practices to Minnesota.

### Existing Service Delivery Model Assessment

27 The Existing Service Delivery Model Assessment included three concurrent phases: Internal Analysis, Industry Analysis, and Options Analysis. Through these three analyses, the following questions were addressed:

- Is Minnesota’s structure more complex than necessary?
- How does Minnesota’s administrative program structure differ from other states?
- Are there best practices from other states that Minnesota should adopt?
- Is the Minnesota child support program sufficiently resourced and staffed? Over resourced or over staffed? Under resourced or under staffed?
- Could a different model or changes to the existing model help deliver a more consistent level of services statewide?
- Are federal funds used as efficiently as possible? Is Minnesota getting the best use of the federal incentives it earns?
- Are there services that are delivered locally which could be delivered more efficiently if centralized or regionalized? If regionally, how might the regions be determined?
- Are there services that are delivered centrally which could be delivered more efficiently at the regional or local level?
- How will any recommended changes to the service delivery model impact child support clients?
- Are there better ways to fund the non-federal share of the program’s cost?

#### Internal Analysis

28 The activities in the Internal Analysis phase of the Assessment of the Current Service Delivery Model focused on gathering and analyzing data related to the current service delivery model with a view towards process, organization and structure, service channels, technology, and performance management. This analysis consisted of the following activities:

- Review of relevant documents, regulations, audits, and Policy BPR Project results
- Documentation of the as-is service delivery model through Assessment Sessions
- Data gathering through targeted requests from designated county and CSED office staff

29 These three core activities of the Internal Analysis assisted the Deloitte team in the formulation of viable structural and organizational change options for Minnesota.

#### Documentation Review

30 The review of relevant Minnesota documentation, combined with a review of federal regulations, was a necessary element in creating a baseline of the federal expectations regarding state child support programs. This understanding was important as the federal regulations guided the development of many questions used in the State Benchmark Study. The documentation review, including a review of the as-is sub-process

diagrams documented in the Policy BPR Project helped us develop a thorough understanding of Minnesota’s current service delivery model and support efforts to develop the recommendations for the program.

31 A list of the key documents reviewed is provided in Table 2.

Document Name	Document Description
Human Services Evaluation Report, Office of the Legislative Auditor, January 2007	An evaluation of MN Human Services Administration that was requested by the Legislative Audit Commission in 2006. The Final Report with the Auditor's findings and recommendations was published and presented to the Legislature in January 2007.
Child Support Enforcement Evaluation Report, Office of the Legislative Auditor, February 2006	An evaluation of the MN Child Support Enforcement program that was requested by the Legislative Audit Commission in 2005. The Final Report with the findings and recommendations was published and presented to the MN Legislature in January 2006.
Child Support Delivery Study, Center for the Support of Families, 1999	A 1997 study, ordered by the Minnesota State Legislature, of the overall child support enforcement delivery system and to recommend to the legislature a service delivery model that would best meet the goals and objectives of the state.
State of Minnesota Statutes	State laws pertaining to the administration and operations of the MN Child Support Enforcement program.
Department of Health and Human Services, Administration for Children and Families, 45 CFR Parts 302, 303, 304, 305, and 308, Child support Enforcement Program, Medical support , Final Rule July 21, 2008	Federal regulations governing the child support program and the final HHS OCSE issued medical support regulation for CSE agencies to implement and enforce as of July 21, 2008.
Minnesota Child Support Program 2008 – 2012 Strategic Plan	The MN Child Support Enforcement Program’s Strategic Plan for years 2008 – 2012.
Evaluation of Minnesota Child Support Enforcement Mechanisms and Programs to the Minnesota Legislature, DHS and CSED, 2007 and 2009	Biennial Reports prepared by DHS CSED to provide information on the state of the MN CSED program, its mechanisms, and programs.
Minnesota Child Support Performance Reports, 2001 – 2008	Annual reports prepared by DHS CSED to report annual performance data according to federal and state performance measures statewide and for each county operated CSE office.
Net County Administrative Costs and Reinvestment Summaries, 2001 – 2008	County reimbursement claim forms submitted to the state quarterly. These reports are rolled up by the CSED to submit federal reimbursement claims to OCSE.
Selected County Cost Allocation Plans for 2008 - 2009	The most currently approved cost allocations for each county reflecting the indirect county costs currently being charged for reimbursement.

**Table 2: Key Documents Reviewed**

*Assessment Sessions*

- 32 The as-is service delivery model assessment was designed to use group work sessions and data requests to the state and county offices to gather and document CSED’s current service delivery model and solicit input from participants regarding potential options for future child support service delivery improvement.
- 33 Assessment Sessions were used to examine the core service delivery categories (process, organization and program structure, service channels, technology, and performance management) with the intent of identifying relevant areas of inefficiency or duplication of effort and to discuss potential options to address them. In order to facilitate these discussions, we structured the sessions using sub-process child support functions, and leveraged certain artifacts from the Policy BPR Project to provide context to the core child support processes that are performed across the state.
- 34 Deloitte conducted 21 interactive Assessment Sessions with child support staff from both state and county offices, as well as one session specifically for participant advocacy groups, for a total of 22 Assessment Sessions. The participants in these sessions were experts on how child support services are delivered in Minnesota. The purpose of the Assessment Sessions was to capture and validate the way services are currently delivered and to identify potential options for future child support service delivery improvements.
- 35 The outcome of these sessions included a validation of the current service delivery model as well as identification of points of inefficiency and duplication of efforts. The information gathered from these sessions assisted in identifying potential options for improving Minnesota’s service delivery model. The approach provided a three-dimensional view of Minnesota’s child support functions:
- Identification of the level of staff conducting the function
  - Identification of where those functions are executed
  - Identification of performance barriers
- 36 In addition to the 21 internal sessions held with county and state staff, CSED and Deloitte felt it was also important to solicit feedback from the participants that are the consumers of child support services in Minnesota. Therefore, a session was held with the advocacy groups that represent many of the consumers of services.
- 37 During each session, discussion notes were captured and then distributed to session participants for comment and edits. Comments and edits received were incorporated into a final version of notes that served as a key input into future work.

**Assessment Sessions:**

- 21 internal sessions were held with state and county staff.
- One session was dedicated to advocacy groups that represent the consumers of child support services in Minnesota.
- Overall, approximately 1,124 participant hours were invested in Assessment Sessions.

*Session Participants*

- 38 To gain a complete understanding of how child support services are currently delivered, it was important to have a variety of staff members and counties represented at the sessions, each bringing different perspectives to the table. Staff members not only came from the county offices, but also from the various state teams that support the program. Attendance was restricted to county supervisors, program managers or county directors, and state supervisors and managers. County attorneys were also represented at many of the sessions. Having this mix of staff

presented different methods and approaches to service delivery, highlighting both challenges and innovative practices that would not have come to light without the diversity of the group make-up.

39 Table 3 shows the number of participants who attended each Assessment Session area. Some areas were broken up into more than one session. A number of participants were involved in more than one session. Each session was approximately 3.5 hours in length, resulting in approximately 1,124 person-hours of participation in the sessions from state, county, and participant advocate participants.

ASDM Session	Number of Participants
Case Initiation	15
Locate	13
Interstate	15
Establishment	42
Order Review & Adjustment	43
Enforcement	23
Financials	28
Arrears Management	16
Customer Service	55
Program Structure	58
Participant Advocacy Groups	13

**Table 3: Number of Sessions Participants**

40 Figure 5 shows the different types of participants in the Assessment Sessions: state, county, participant advocates, and Deloitte staff.

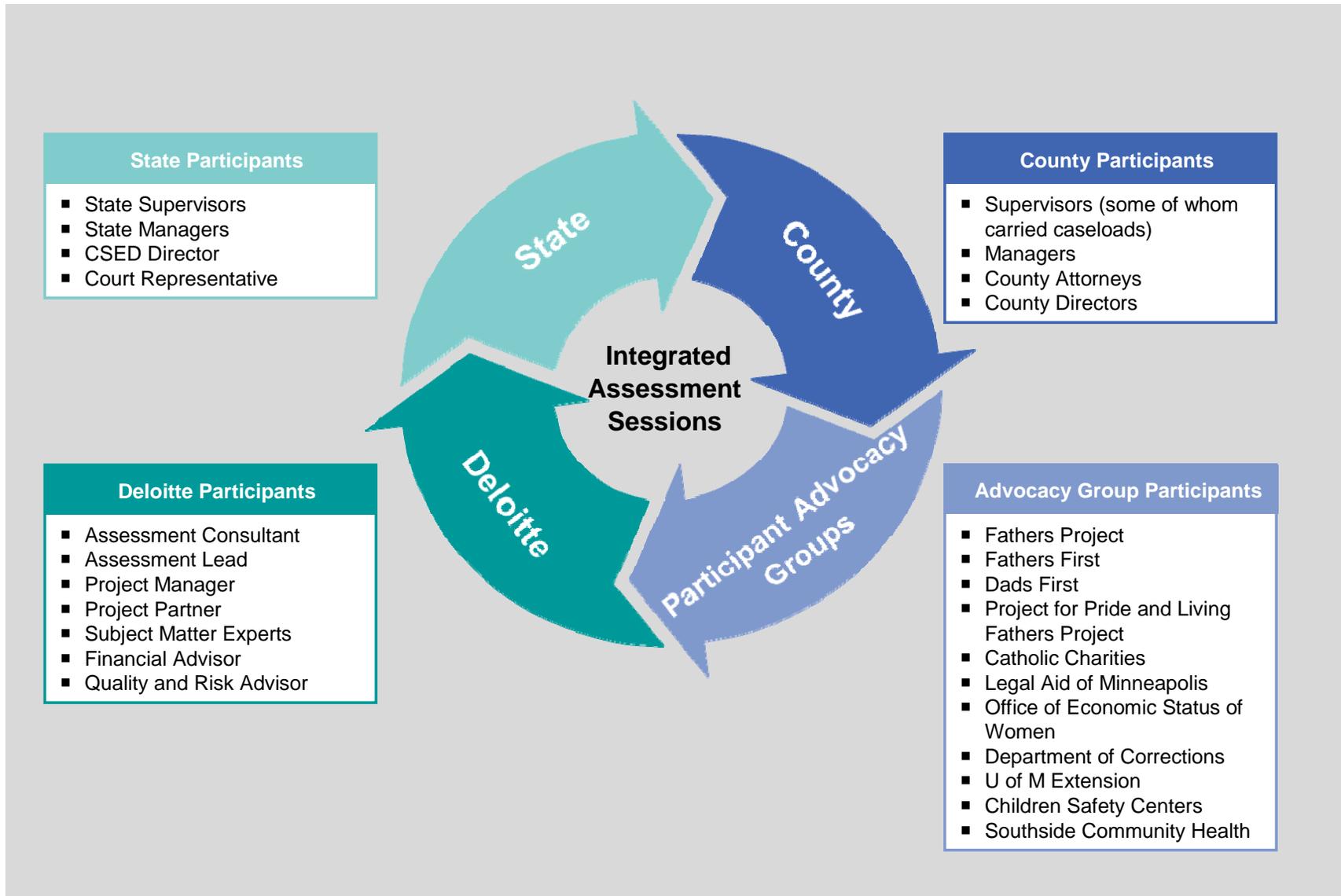


Figure 5: Types of Participants Represented in the Assessment Sessions

- 41 In addition to having a diverse group of participants in the sessions, it was also important to have diverse representation from counties. All 87 counties were invited to participate, and counties outside the metro area were given an opportunity to participate remotely. A range of county sizes and demographics were represented at the sessions as well, bringing large and small, rural and urban county perspectives to the sessions. Thirty-one (31) counties with caseloads that ranged from 123 cases to in excess of 56,000 cases participated. Together, the 31 counties participating in the sessions made up 76% of the state's total caseload and represented 74% of the state's total child support FTEs.
- 42 The counties with different caseloads were able to highlight the differences in how they deliver services and how they interact with program partners such as courts, county attorneys, and private vendors that provide services. Often, counties with smaller caseloads have a more “generic” casework approach that has one caseworker doing the casework from case initiation through enforcement. However, counties with larger caseloads often rely more on a “specialized” approach that has a caseworker focus on one area such as paternity establishment or working new intakes. Having these different perspectives at the sessions was valuable in assessing the variations in method and approach to service delivery throughout the state.
- 43 Table 4 provides an alphabetical list of the counties that participated in the Assessment Sessions. The map provided in Figure 6 identifies each of these counties as having either a small, medium, or large caseload based on numbers from the 2008 Minnesota Child Support Performance Report.

Counties that Participated in Process Sessions				
Aitkin (S)	Dakota (L)	Lincoln/Lyon/Murray* (S)	Redwood (S)	Traverse (S)
Anoka (L)	Dodge (S)	Meeker (S)	Scott (M)	Waseca (S)
Beltrami (M)	Goodhue (M)	Morrison (S)	Sherburne (M)	Washington (M)
Benton (S)	Hennepin (L)	Nicollet (S)	St. Louis (L)	Winona (M)
Carlton (M)	Kanabec (S)	Olmsted (M)	Stearns (M)	Wright (M)
Chisago (M)	Kandiyohi (M)	Ramsey (L)	Steele (S)	

\*These counties share a child support office

**Table 4: List of Counties Represented in the Assessment Sessions**

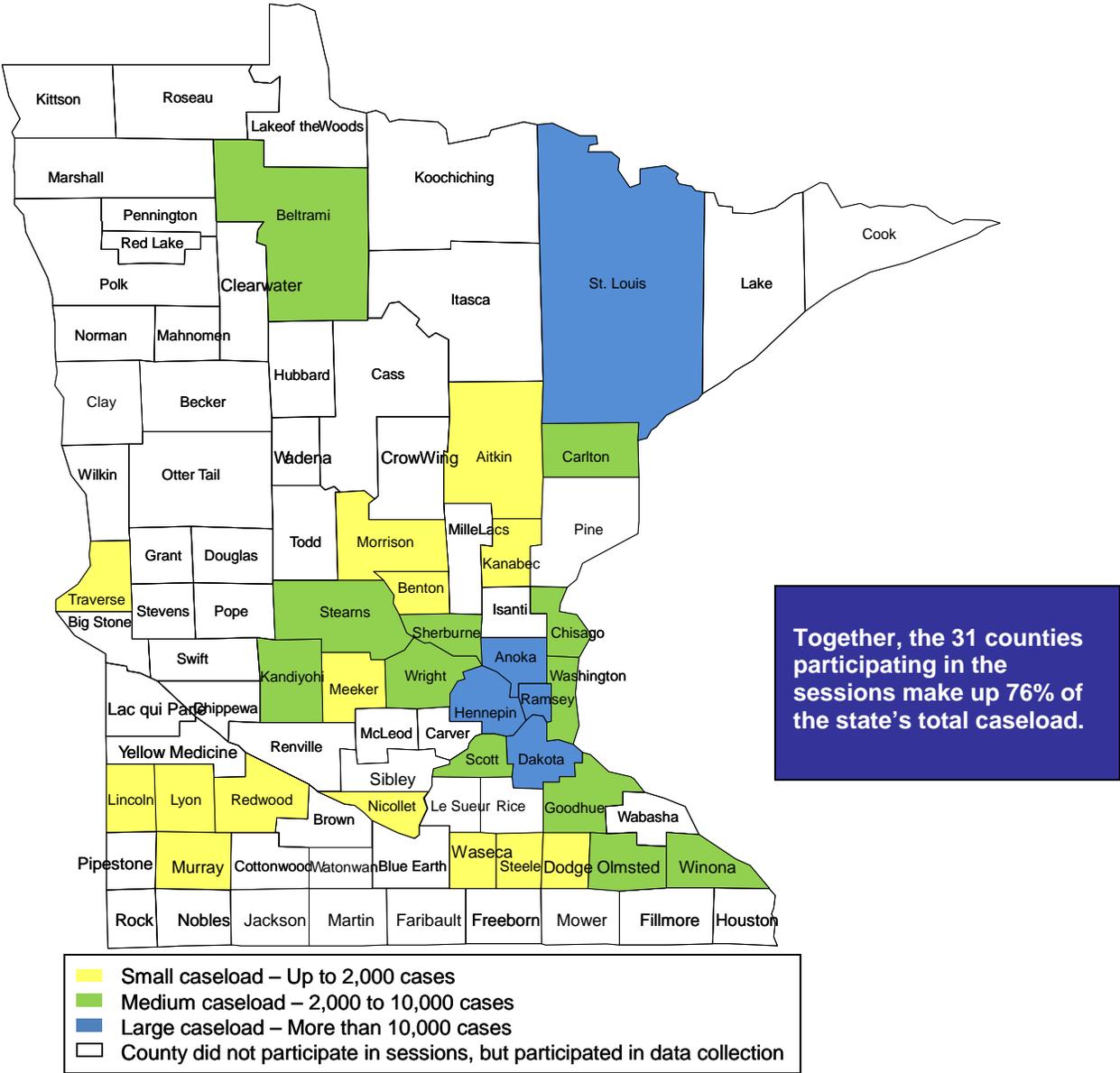


Figure 6: Counties Represented in the Assessment Sessions by Caseload

### *Data Gathering*

- 44 Deloitte gathered data from the state and county offices as a method of understanding the ways in which services are currently delivered throughout Minnesota's 84 county Child Support Enforcement (CSE) offices and at the CSED office. This was done through weekly data request submissions made by CSED to specific individuals in each county office.
- 45 The goal of this information gathering effort was to gain perspective on how services are delivered in large and small, rural and urban offices alike. Gathering information on each of the counties in this manner assisted Deloitte in documenting inconsistent service delivery practices and application of policies within the state currently, as well as identifying both efficient and inefficient models and techniques currently in use.
- 46 Questions were designed to capture a range of data elements, from the amount of time workers spend on answering telephone calls and sending mail, to the amount of money spent on data processing, county office relationships with county attorneys, and the involvement of staff in local unions. Deloitte also gathered extensive data from CSED using the PRISM system regarding county-by-county and statewide performance. Such data included the number of paternities and orders established in District Court versus the expedited process, the number of Financial Institution Data Match (FIDM) matches identified and the number of FIDM levies performed, and the average length of time from the receipt of a new case to the initial legal filing, the establishment of an order, and the initial enforcement action.

### *Analyze Data*

- 47 These data activities allowed us to review and analyze the most recent performance and financial data available in order to create a complete picture of the as-is state of the child support program and its service delivery model. This data was assessed through three outcome lenses - Customer Outcomes, Business Outcomes, and Employee Outcomes. Collectively these lenses provide a 360 degree view of the child support program's performance.
- 48 Our data analysis consisted of three primary elements, as illustrated in Figure 7:
- A review of the accuracy, quality, and timeliness of the delivery mechanism including the estimated time between initiation of key child support activities and their completion
  - An analysis focused on business outcomes – Business outcomes consider federal, state, and agency performance measures, earned incentives, and the administrative costs of administering the program. This analysis further considered ways CSED aligns county performance with its own performance incentive framework.
  - An analysis of the employee outcomes and impacts – More specifically, we analyzed the state / county organizational structure and how it may be aligned to promote more efficient service delivery outcomes. This included examining staff to caseload scenarios as well as roles and responsibilities in alternative service delivery models.

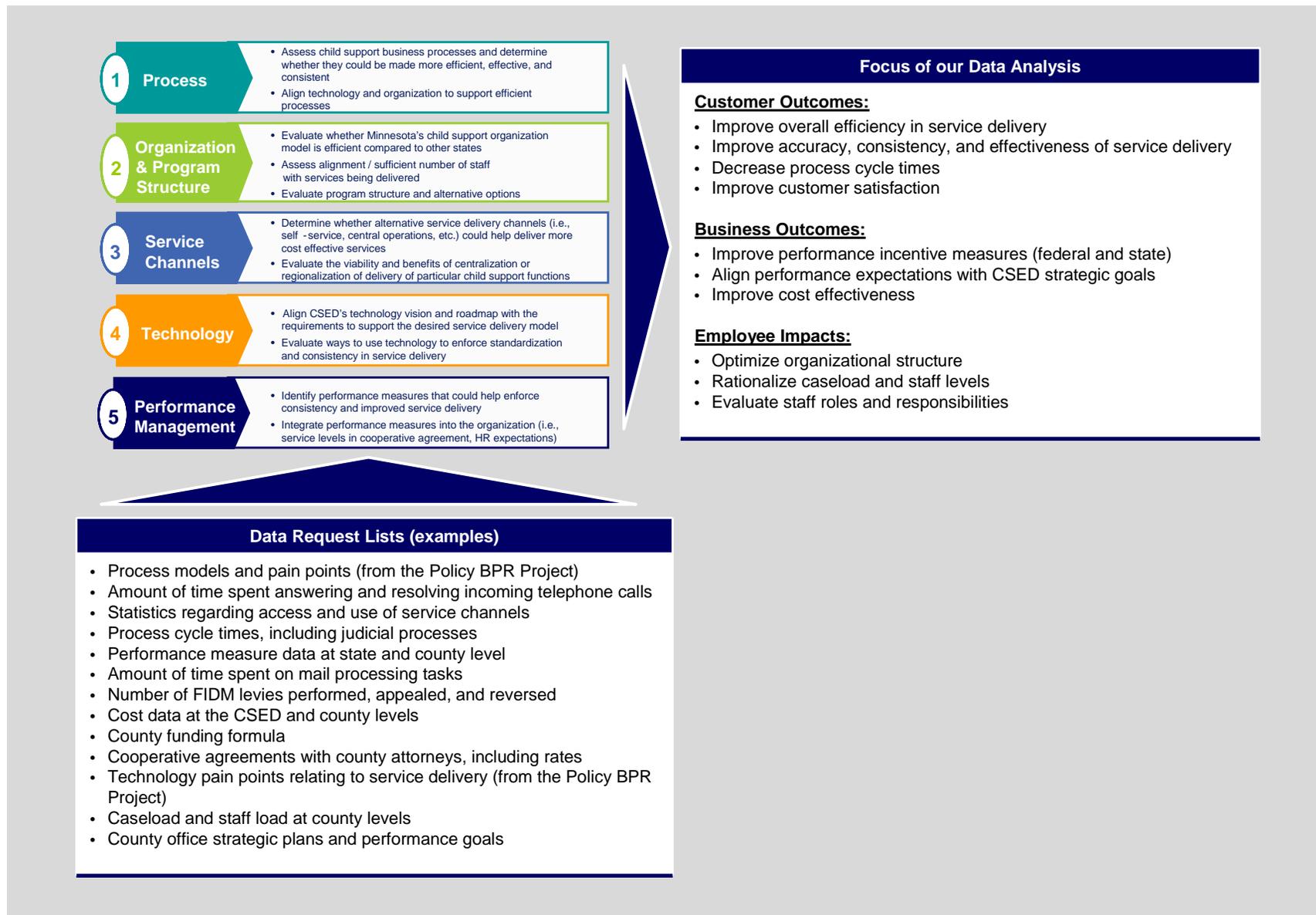


Figure 7: Our Approach to Data Analysis

## Industry Analysis

49 The Industry Analysis phase included a review of the service delivery models of the five state CSE organizational structures that were part of the state Benchmark Study, as well as a review of other leading practices from around the country.

### *State Benchmark Study*

50 In order to determine how Minnesota's child support service delivery model compares with other states, and to assist in identifying options to align Minnesota's service delivery structure, operations, and performance with child support industry leading practices, Deloitte completed a five state benchmarking study. This study was undertaken concurrently with the Assessment Sessions and other Internal Analysis activities.

51 Objectives of the Benchmark Study included:

- To compare Minnesota's organizational structure with five states selected by CSED
- To gather service delivery practices from other states that could potentially be implemented in Minnesota
- To identify options to organizationally support new processes that strategically support the vision of the child support program

52 Deloitte worked with CSED during the initiation phase of the project to identify the states that would be used. Each state was chosen based on key similarities to Minnesota, such as caseload and population, as well as for its unique structure and service delivery model from which important lessons could be learned.

53 Table 5 identifies the Benchmark Study states that were compared with Minnesota.

State	Reason for Selection as Benchmark State
Texas	<ul style="list-style-type: none"> <li>• Service delivery model contrasts Minnesota’s – state supervised and state operated</li> <li>• Umbrella agency that is different than Minnesota’s – Child Support is within the Office of the Attorney General</li> <li>• High performing state – Texas has been a recent leader in performance improvement, especially with collections</li> <li>• Texas is in the process of incrementally replacing its statewide child support computer system</li> </ul>
North Dakota	<ul style="list-style-type: none"> <li>• Service delivery model that contrasts Minnesota’s – state supervised and state operated</li> <li>• Example of a state that recently changed from county operated to a state operated service delivery model</li> <li>• A state that is similar to Minnesota due to geography, a border state, and similarities in demographics with its small rural offices</li> </ul>
Florida	<ul style="list-style-type: none"> <li>• Service delivery model that contrasts Minnesota’s – state supervised and state operated</li> <li>• Umbrella agency that is different than Minnesota’s – Child Support is within the Department of Revenue</li> <li>• Example of a state that has centralized a number of key functions typically performed at the local level</li> </ul>
Colorado	<ul style="list-style-type: none"> <li>• Similar service delivery model as Minnesota – state supervised and county operated</li> <li>• Example of a state that has several counties that have privatized child support services with a vendor</li> </ul>
Wisconsin	<ul style="list-style-type: none"> <li>• Similar service delivery model – state supervised and county operated</li> <li>• A state that is similar to Minnesota due to geography, a border state, and similarities in demographics</li> </ul>

**Table 5: States Selected for Benchmark Study**

- 54 In order to capture the data needed to meet the objectives of the Benchmark Study, Deloitte worked with CSED to create a questionnaire that would be the primary tool used to gather data for the study.
- 55 Deloitte scheduled interviews with child support staff from each of the five benchmark states. The Benchmark Study questionnaire was sent in advance to the states to allow for sufficient time in preparing for the interview. During this interview, the questionnaire responses were often expanded upon and clarified. The information gathered in the Benchmark Study contains not only details about how each state delivers services, but also identifies specific practices that could be transferred to Minnesota.

*Additional Industry Analysis*

- 56 In addition to the benchmark states, there are other state child support enforcement programs which have addressed service delivery model issues or implemented organizational or structural changes designed to improve their performance or the delivery of services. We included service delivery model practices from these states if we felt that there were practices that are relevant to Minnesota.

**Options Analysis**

- 57 In the Options Analysis phase, we leveraged the work done in Internal Analysis and Industry Analysis stages to present the options for service delivery model change. Activities in this phase included:
- Developing the options

- Completing Option Profiles and identifying service delivery options
- Completing cost benefit analysis (CBA) and return on investment (ROI) calculations for each option

*Development of Options*

58 The RFP for this project requested that the selected vendor provide, if necessary, one or more service delivery model options that could be adopted by Minnesota that would allow it to:

- Manage the most cost effective program possible,
- Maintain the state’s high level of performance, and,
- Meet all federal requirements that set the criteria of a state child support program.

59 In the Options Analysis stage of this project, we focused our efforts on identifying potential service delivery models that not only met these objectives, but also fit the vision, values, and objectives of the Minnesota child support program. We worked with CSED to establish evaluation criteria used to identify recommended options that are well suited to CSED and its strategic goals. In our analysis of each option presented, we considered two key areas. First, we compared each of the options against the goals and strategies outlined in the Minnesota Child Support Program’s 2008-2012 Strategic Plan. Secondly, we contrasted each of the proposed options against the option evaluation criteria provided to us by CSED during this project.

60 Analysis of the data gathered from the Internal Analysis and Industry Analysis stages not only informed the options analysis, but also contributed heavily to the formulation of the options presented to CSED. In the Options Analysis phase, we considered numerous possible options. For each option that we felt met the needs of the Minnesota child support program as described above, we analyzed the performance and cost effectiveness metrics of the state that had pursued the transition, as well as the potential for success of such a model in Minnesota. Not all of these scenarios told compelling stories. Those that did not were not pursued with detailed cost-benefit and return on investment analyses.

61 For each of the three options defined, an Option Profile was completed and a full cost benefit and return on investment analysis conducted. The options presented include our rationale based on our understanding of the strategic goals of the Minnesota child support program, project objectives, and available resources. CSED was responsible for making the final decision as to which option will be selected for implementation planning.

*Complete Option Profiles and Identify Service Delivery Options*

62 For each identified option, we created an Option Profile. The profile provided CSED with the information it needed to make the decision around which option it wants to implement. The profile also provided CSED with a source for comparing and contrasting the various potential service delivery model options.

Complete Option CBA / ROI

63 For each of the Option Profiles, we created a cost benefit analysis (CBA) and an accompanying return on investment (ROI) calculation for recommended changes to the current service delivery model. Our approach involved assessing the scope of each option, identifying the cost and benefit factors, gathering data, and performing the CBA and ROI calculations based on stated assumptions. Figure 8 graphically depicts our Cost Benefit Analysis Methodology.

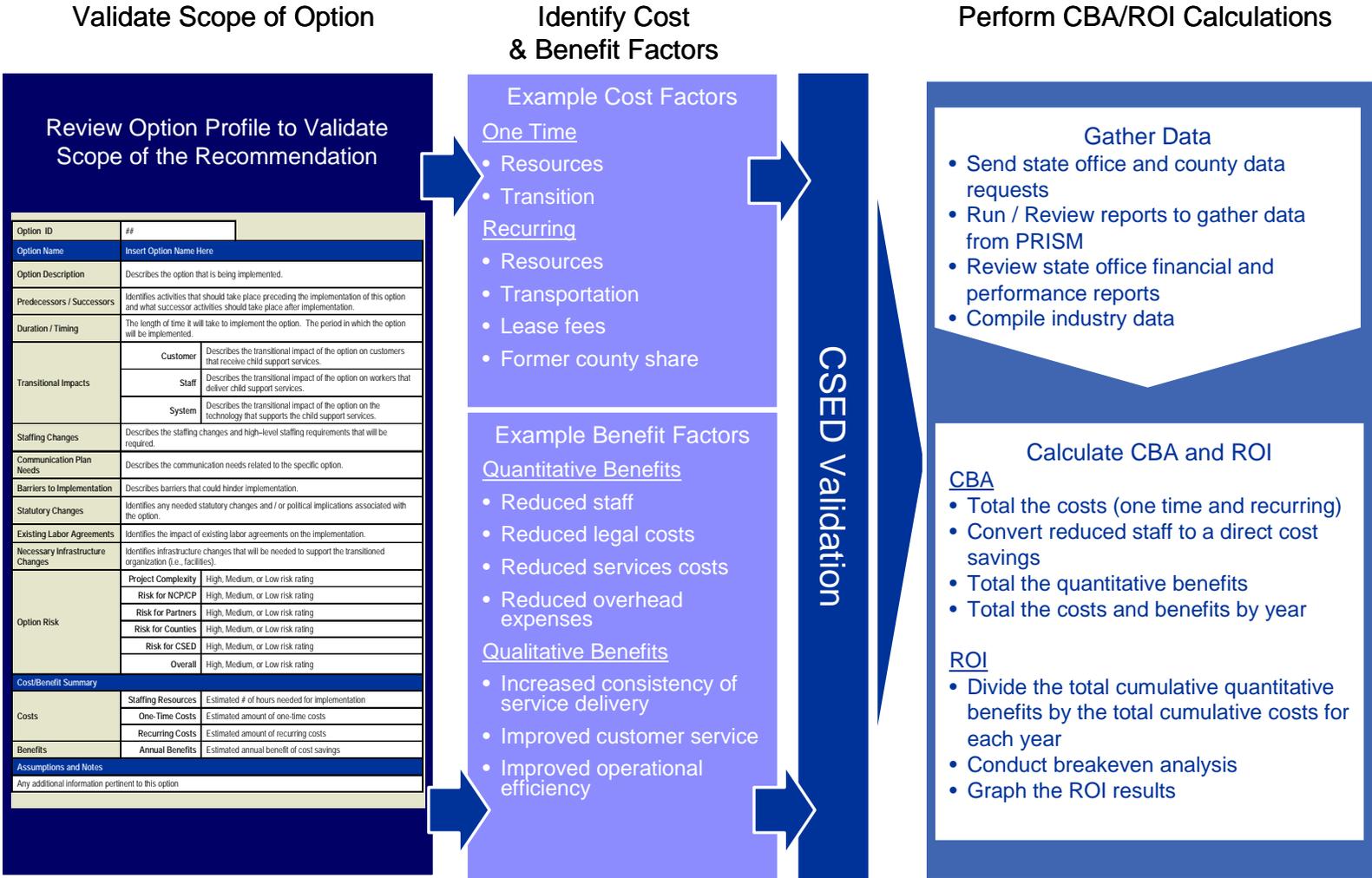


Figure 8: Cost Benefit Calculation Methodology

64 While we brought an established and demonstrated methodology, it was also important to confirm the formulas, relevant cost and benefit data, and resulting calculations. We used a five step approach to assess the components of our CBA.

- **Step 1: Validate Option Details** – Deloitte assessed each of the Option Profiles for: (1) clear definition of the option, (2) high-level benefits and costs, (3) alignment of the option with CSED’s strategy and evaluation criteria, and (4) alignment of benefits with stakeholders.
- **Step 2: Define Benefits** – For each of the identified options, Deloitte defined the key drivers for the anticipated benefit. As part of this exercise, Deloitte quantified the estimated anticipated benefits and projected the scope, magnitude, and timing of when the benefits may be realized. The size, scope, and timeframe of when the benefits may be realized provided the data needed to perform the ROI calculations.
- **Step 3: Define Total Costs** – For each of the identified options, Deloitte assessed the estimated costs of implementing the recommendations. The determination of the estimated costs necessitated CSED to provide expense information and/or assess certain cost related assumptions. The unavailability of data resulted in the need for assumptions to be identified to complete the CBA analysis. The costs and assumptions were validated with CSED.
- **Step 4: Calculate the Anticipated CBA and ROI** – After quantifying total costs and projecting anticipated benefits, Deloitte used an industry standard method of computing potential return on investment (ROI) for the identified options. Deloitte worked with CSED to obtain buy-in to the ROI methodology and confirm our assumptions.
- **Step 5: Track Costs and Benefits** - Part of our approach to performing cost benefit analysis includes tracking of actual costs and benefits compared to the original business case. While not important for this phase of the project, we believe that it is a critical component for CSED to keep in mind as it considers implementing recommendations.

### Implementation Planning

65 The Implementation Planning phase focused on planning for the implementation of CSED’s selected service delivery option. Key questions that were answered in this phase included:

- Can the recommendations be implemented incrementally? If so, in what order should the steps occur?
- How should the new model be explained to different partners and stakeholders?
- What is the cost/benefit of each part of the proposed changes (to allow for partial or incremental implementation)?
- What staffing changes are necessary? How many staff working in the program will be affected?
- How would existing labor agreements affect the proposed model?
- What infrastructure changes are necessary?
- How might the federally required child support automated system (PRISM) be affected?

66 The Implementation Plan takes into consideration that the new service delivery model will have impacts on the people, processes, operations, and technology of the child support program. Each of these areas is addressed in our Implementation Planning approach depicted in Figure 9. This approach also considers the activities that must be performed in order to manage a large-scale transition – including the implications for the business, its employees, its customers (current or potential), and the underlying infrastructure.

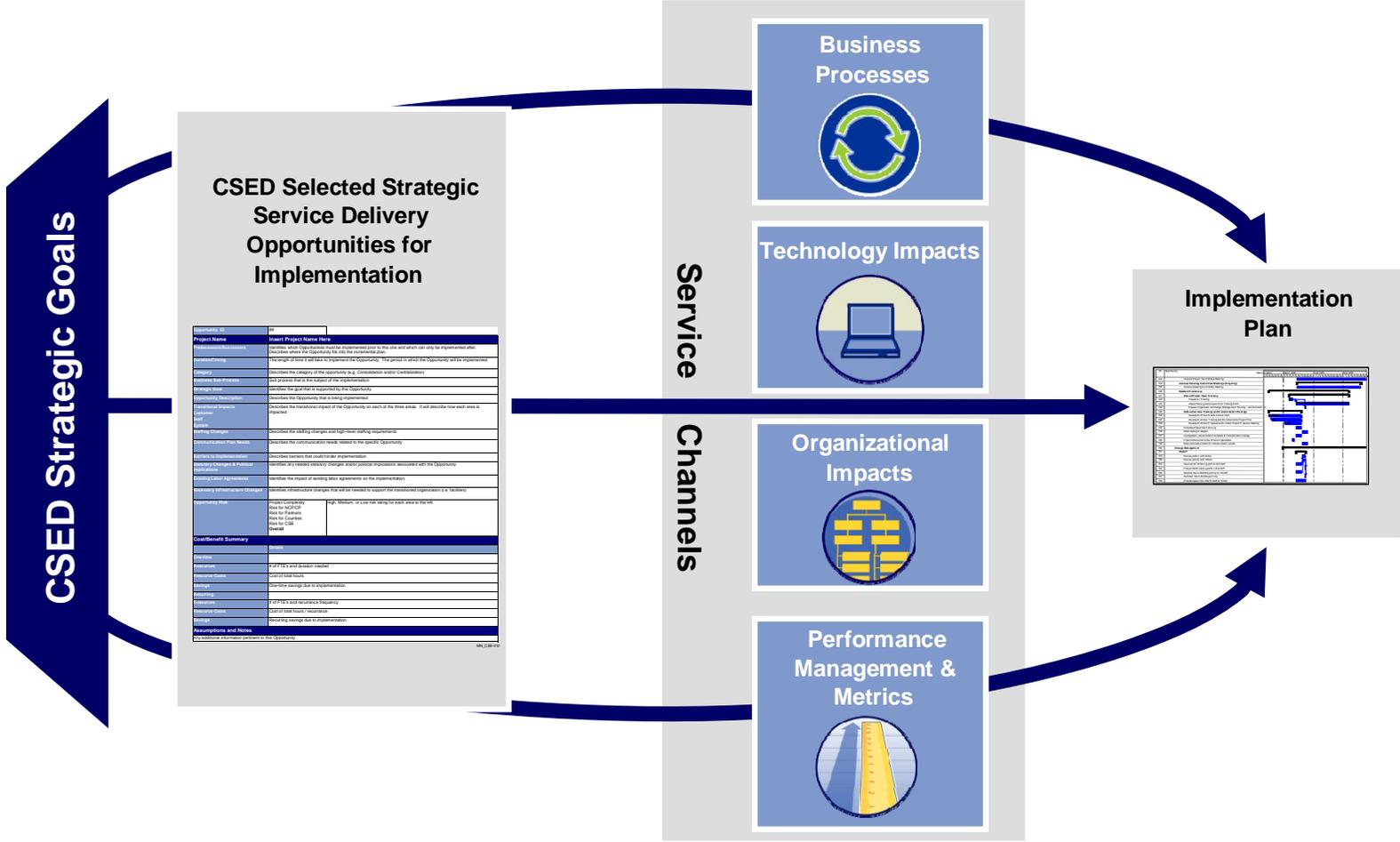
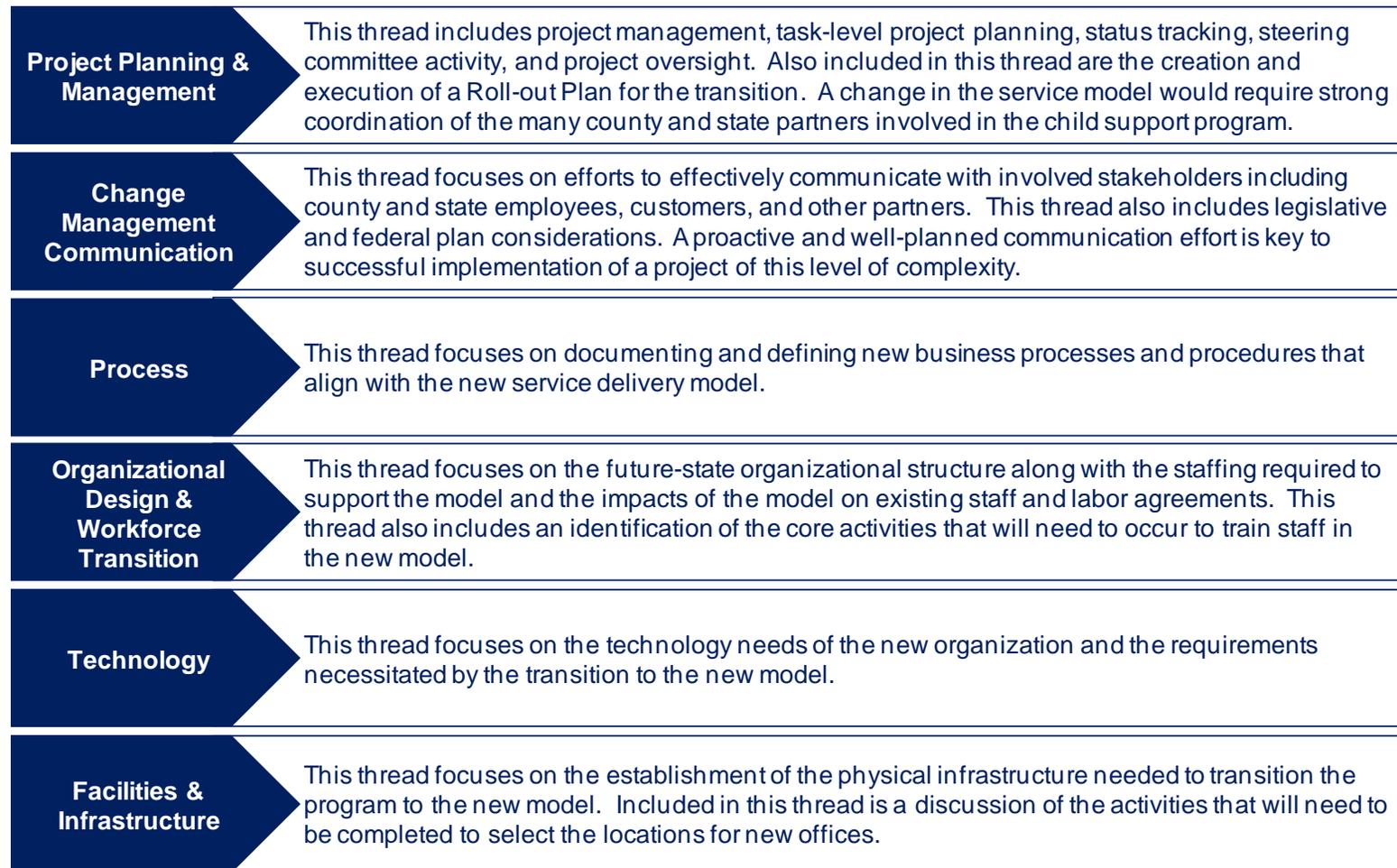


Figure 9: Implementation Planning Approach

67 During this phase of the ASDM Project, we considered the specific projects, or threads, along with the corresponding deliverables that would have to be completed to transition to a new service delivery model. Based on previous experience with large-scale transitions and organizational

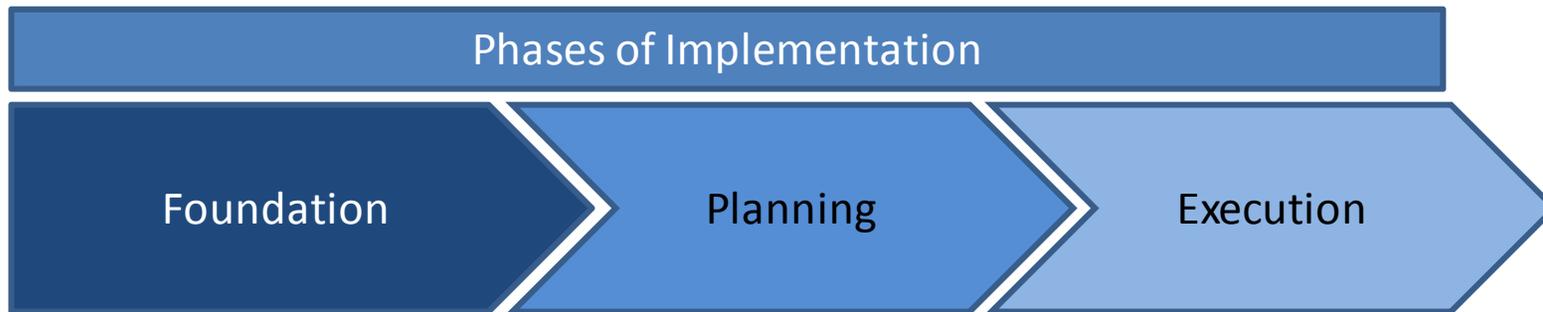
change projects, and as presented in the Cost Benefit Analysis for this option, we divided these threads into the categories represented in Figure 10. These threads are not necessarily sequential, but will be undertaken concurrently during implementation.



**Figure 10: Implementation Threads**

- 68 Within each of these threads, appropriate deliverables and specific key activities were identified in the *Implementation Plan (Deliverable #3)*.
- 69 In conceptualizing the timeline for implementation, the deliverables within each thread were divided into the three phases depicted in Figure 11 – Foundation, Planning, and Execution. Most threads begin with a Foundation deliverable that should be completed prior to the preparation of a

detailed plan of execution. While some Foundation deliverables, such as the To Be Process Analysis and Technology Assessment, will follow relatively defined schedules, estimating completion timeframes for other activities within the Foundation phase, such as obtaining necessary legislative changes, will be more difficult. Completion of these Foundation deliverables is critical to the implementation of a new service delivery model, as each provides the necessary framework for the planning and execution of that thread’s transition to the new model. As such, commencement of the Planning phase is dependent upon the completion of the Foundation deliverables. As the Foundation deliverables are completed within each thread, the Planning phase for that thread can begin. All threads contain at least one deliverable associated with creating a detailed plan for transitioning the aspects of the program associated with the thread to the new model. At the completion of the Planning deliverable for each phase, the execution of that thread can begin. At the end of the Execution phase, the expectation is that the State Operated Regional Offices service delivery model will be operational.



**Figure 11: Implementation Phases**

**Analysis and Research**

- 70 In developing the necessary threads, specific deliverables, and the activities that constitute the Implementation Plan section of this document, we conducted research of various methodologies, tools, and leading practices available through our firm’s internal resources and the broader public domain. We analyzed implementation practices for organizational transitions of similar size and scope across a variety of industries, considering specifically the changes that would need to be made to move Minnesota’s child support program from the current State Operated County Administered service delivery model to the State Operated Regional Offices option.
- 71 Based on our knowledge of the State of Minnesota and the Minnesota child support program gained through the *Existing Service Delivery Model Assessment (Deliverable #2)* of this project, as well as through the Policy BPR Project, we were able to identify and consider Minnesota-specific issues and risk factors. We also gathered additional information throughout this Implementation Planning phase by speaking with a number of state agencies that could potentially support the implementation effort. We gathered information from members of the DHS Merit System Unit to better understand the issues of salaries, benefits, and labor agreements. We also met with members of the DHS Property and Facilities Management Unit to gather information related to the state’s internal capabilities in finding and securing real estate, negotiating lease contracts, conducting facility build-outs, and procuring office furniture and equipment. The information gathered during these meetings allowed us to create more informed and accurate timeframe estimates throughout certain phases of the Implementation Plan.

## Final Report

- 72 The Final Report phase results in the fourth and final deliverable, the *Final Report and Integrated Roadmap (Deliverable #4)*. This final deliverable is more than just a summary of the previous deliverables. In addition to summarizing the service delivery model recommendation and implementation plan developed during the Assessment and Planning phases of the project, the deliverable includes an integrated roadmap that provides a broad view of projects resulting from the Policy BPR and Analysis of Service Delivery Model projects.
- 73 We realize that many organizational change opportunities identified as a result of this project will have a direct relation to or dependency on Policy BPR recommendations, which will dictate a coordinated effort for these two distinct projects. The integrated roadmap depicts a plan for your program, which includes business process, technology, performance, and organization / staffing changes.
- 74 The integrated roadmap provides CSED with a timeline illustrating a series of initiatives that can be implemented in both the short-term and long-term.
- 75 Below is a list of activities that were completed to develop the integrated roadmap.
- **Assess projects.** The projects resulting from the Policy BPR and Service Delivery Models projects were assessed for related activities, dependencies, and alignment. We used the Policy BPR Roadmap and the Service Delivery Model Implementation Plan to conduct our assessment.
  - **Prioritize and analyze projects.** After the project assessment was completed, we aligned and prioritized projects. Projects were aligned based on related activities. We used the priorities established during the Policy BPR Project as the baseline for establishing priorities. Meetings were conducted with CSED to discuss the project priorities prior to completing the integrated roadmap.
  - **Integrate.** An integrated roadmap was developed using the results from the assessment and prioritization steps. The roadmap included an implementation timeline, dependencies, and alignment with CSED's vision for the future of its child support program. Each project shown on the integrated roadmap is also described in greater detail in descriptive tables and narrative.
  - **Present Final Report.** In addition to the written final report, we will also deliver an oral presentation of the final report to an audience determined by CSED. We understand that many individuals will not have the time to review the deliverables submitted as part of the Analysis of Service Delivery Model project. Therefore, we will be pleased to present an oral final report to bring everyone up to speed on the assessments, recommendations, and integrated roadmap for the future of child support in Minnesota.
  - **Support legislation.** We also understand the importance of providing assistance to CSED in supporting the results of our final report. We will be prepared to support CSED via presentations to the Minnesota State Legislature. We will work with CSED to develop an executive presentation suitable for the legislative audience. We will also help CSED facilitate a review of the presentation with the DHS's Public Information Officer. We have experience with this approach, but we will work with CSED to modify our methods if necessary. We would be pleased to support the results of the final report in front of the legislative audience with an approach mutually agreed upon by both Deloitte and CSED.

## Final Report and Integrated Roadmap<sup>2</sup> (Deliverable #4) Overview

76 The *Final Report and Integrated Roadmap (Deliverable #4)* is the final deliverable of the ASDM Project. It consists of two components:

- **Periodic Updates and Other Communications** – A component of this deliverable includes the various activities that have been completed to provide status updates regarding the project. These activities have included project status reports, deliverable expectation meetings, executive briefings, Steering Committee meetings, conference appearances, and informal status reporting mechanisms which have been ongoing throughout the life of the ASDM Project. In addition, we will be pleased to present an oral final report to bring stakeholders up to speed on the assessments, recommendations, and integrated roadmap for the future of child support in Minnesota and to support the results of our final report in front of the legislative audience with an approach mutually agreed upon by both Deloitte and DHS CSED.
- **Final Report and Integrated Roadmap** – The deliverable summarizes the earlier phases of the ASDM Project and the results of these phases as presented in the *Existing Service Delivery Model Assessment (Deliverable #2)* and the *Implementation Plan (Deliverable #3)*. In addition, it includes an Integrated Roadmap that provides an overview of the discrete implementation projects resulting from both the Policy BPR and ASDM Projects. Both of these are provided in this document and associated appendices.

### Summary of Periodic Updates and Other Communications

77 As mentioned, a component of this deliverable includes the various activities that have been completed to provide status updates to CSED and program stakeholders regarding the project. These activities have included project status reports, deliverable expectation meetings, executive briefings, Steering Committee meetings, conference appearances, and informal status reporting mechanisms which have been ongoing throughout the life of the ASDM Project. In addition, Deloitte is prepared to present our findings, including the contents of this deliverable, to CSED leadership and the legislature as outlined in the RFP.

### Project Status Reporting

78 Formal status reporting is geared toward providing information to the stakeholders in a consistent manner. This reporting method keeps parties informed which in turn supports efforts to keep the project progressing in accord with the project work plan. Sharing of project-related information with CSED project staff also helps confirm that everyone is on the same page and understands the direction and progress of the project.

79 Weekly meetings were planned at which the project status report was used as the agenda. The weekly meetings provided the CSED ASDM Project staff an update of the project work plan, in particular the status of tasks and any issues / risks that were uncovered. In preparation for these meetings, we recommended corrective actions for project issues as well as for negative variances to the work plan so that a decision could occur on how to resolve the issues. These recommendations were reported in the meeting as well as documented in the status report. The first project status meeting was held on March 10, 2009 and meetings continued weekly through the end of the project. (Note that some weekly status meetings were cancelled due to scheduling conflicts.) During the time that the Policy BPR Project and ASDM Projects were happening in parallel, the weekly status meeting was a joint project meeting that allowed for cross-project communication and coordination.

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<sup>2</sup> The *Final Report and Integrated Roadmap (Deliverable #4)* is formally referenced in Deloitte's proposal as the *Presentation of Periodic Updates and Final Report*.

80 In addition to the weekly project status report that was used as the agenda for the weekly status meetings, Deloitte provided CSED with a bi-weekly status report which CSED used to create newsletters for the counties. The first bi-weekly status report was dated 4/28/2009 and was provided to CSED every two weeks through the end of the project.

**Deliverable Expectation Meetings**

81 The leading method of project success is to collaboratively arrive at decisions together so that involved parties know what to expect. We used deliverable expectation meetings to set the expectations of what each project deliverable will look like, the objectives it will meet, and the RFP requirements and contract terms it seeks to satisfy. A meeting was scheduled prior to the start of work of each written deliverable at which the appropriate parties were invited to provide input. We brought a deliverable template that we created based on the RFP requirements and contract terms, and walked through the template during the meeting attempting to reach consensus. The appropriate detail and format of the deliverable was agreed upon before writing of the deliverable commenced.

82 Table 6 shows the deliverable expectations meetings conducted during the life of the ASDM Project.

Deliverable	Deliverable Expectations Meeting Date
Updated Project Plan (Deliverable #1)	3/10/2009
Existing Service Delivery Model Assessment (Deliverable #2)	6/3/2009
Implementation Plan (Deliverable #3)	7/21/2009
Final Report and Integrated Roadmap (Deliverable #4)	9/30/2009

**Table 6: Deliverable Expectations Meetings**

**Executive Briefings**

83 While weekly status meetings provided a forum where individuals significantly involved in the day to day management of the project could effectively oversee project’s activities, issues, and risks, we realized that there was another group of stakeholders who wanted to monitor the progress of the ASDM Project from more of a strategic vantage point. They wished to receive updates at a higher level to help provide direction and affirmation of the project’s progress.

Conducting periodic executive briefings at key points of the project helped avoid surprises for ASDM Project leadership and the Steering Committee arising from the findings or recommendations that come about at project end. Ultimately, the executive briefings provide an opportunity to continuously affirm the goals and align the vision of the project between the day to day project team and the CSED leadership and steering committee members.

84 Table 7 shows the dates of the executive briefings conducted during the life of the ASDM Project.

Executive Briefing Topic	Date
Options Analysis Review Session (to discuss potential options)	5/27/2009
Existing Service Delivery Model Assessment (Deliverable #2)	8/26/2009
Implementation Plan (Deliverable #3)	10/28/2009

**Table 7: Executive Briefings**

**Steering Committee Meetings**

85 Deloitte conducted monthly Steering Committee meetings starting 4/29/2009. These meetings were used to bring the Steering Committee up-to-date on project progress, issues, and findings. For the meeting held in June, 2009, the Steering Committee meeting was used specifically to conduct the executive briefing for Deliverable #2.

**Conference Appearances**

86 Deloitte also presented the findings from both the Policy BPR Project and the ASDM Project at the MACSSA Fall Conference per CSED’s request. This included preparing a presentation detailing our methodology and findings and presenting it to the conference audience. This served a critical purpose of building buy-in for the project recommendations with county stakeholders.

**Informal Status Reporting Mechanisms**

87 Informal communications are often critical to the success of a project. In fact, such communications allow the project to progress in situations in which the formal reporting methods would lead to delays or gaps in information sharing. Informal communication methods for reporting project status and progress that we utilized on this project included, but are not limited to, the following:

- Utilization of electronic mail to distribute memos, project notes, status reports, and other documentation
- Use of electronic bulletin boards on the CSED intranet for posting reminders and broadcast messages
- Ad hoc meetings with Deloitte and CSED staff (and others, as appropriate) in order to proactively address and diffuse potential issues

**Oral Presentation of Final Report and Legislative Support**

88 In addition to the written *Final Report and Integrated Roadmap (Deliverable #4)*, we will also deliver an oral presentation to an audience determined by DHS. We understand that many individuals will not have the time to review the deliverables submitted as part of the Assessment of Service Delivery Model Project. Therefore, we will be pleased to present an oral final report to bring everyone up to speed on the assessments, recommendations, and integrated roadmap for the future of child support in Minnesota.

89 We also understand the importance of providing assistance to DHS in supporting the results of our final report. We will be prepared to support DHS via presentations to the Minnesota State Legislature. We will work with DHS to develop an executive presentation suitable for the legislative

audience. We will also help DHS facilitate a review of the presentation with the Department's Public Information Officer. We also recommend performing dry runs of the presentation with DHS staff so that the parties involved are familiar with the information and how it will be presented. We have experience with this approach, but we will work with DHS to modify our methods if necessary. We would be pleased to support the results of our final report in front of the legislative audience with an approach mutually agreed upon by both Deloitte and DHS CSED.

### Final Report and Integrated Roadmap

90 The remainder of this document provides summaries of the earlier phases of the ASDM Project and the results of these phases as presented in the *Existing Service Delivery Model Assessment (Deliverable #2)* and the *Implementation Plan (Deliverable #3)* and an Integrated Roadmap that provides an overview of the discrete implementation projects resulting from both the Policy BPR and ASDM Projects. The information is detailed in the following sections:

- **Existing Service Delivery Model Assessment** – Summarizes *Deliverable #2: Existing Service Delivery Model Assessment* which presented CSED with alternatives to consider in deciding whether to select an alternative service delivery model.
- **Implementation Plan** – Summarizes *Deliverable #3: Implementation Plan* which provides a description and proposed sequencing of the tasks necessary to successfully implement the selected new service delivery model selected by CSED.
- **Integrated Roadmap** – Provides high-level descriptions of the projects required to implement the ASDM Implementation Plan and aligns the projects to the critical projects identified during the Policy BPR Project. The integrated roadmap provides a timeline for the projects, dependencies between projects, and most importantly aligns with the goals and strategies for the Minnesota child support program. This section also describes the methodology by which the Integrated Roadmap was developed.
- **Appendix A** – Presents a high-level graphical representation of the Integrated Roadmap, including project timing and high-level milestones. It also depicts the implementation and sequencing strategy between the ASDM and Policy BPR Projects decided jointly with CSED.

## Existing Service Delivery Model Assessment

- 91 Deloitte completed an assessment of the Minnesota Child Support Enforcement Division's (CSED) current service delivery and how the existing service delivery model aligns with the program's strategic objectives. *Deliverable #2: Existing Service Delivery Model Assessment* presented CSED with alternatives to consider in deciding whether to select an alternative service delivery model. Based on our analysis in *Deliverable #2* that Option 1, State Operated Regional Offices, best aligns with the strategic goals and objectives of the program and best supports the evaluation criteria, CSED requested that Deloitte move forward with Option 1 for the Implementation Planning phase. This led to the preparation of *Deliverable #3: Implementation Plan*, a description of the tasks necessary to successfully implement the selected new service delivery model.

## Summary of Current Service Delivery Model and Program Performance

- 92 The current service delivery model for the Minnesota child support program is a state supervised, county operated program. Under this model, the Department of Human Services, through CSED, is the single state agency under the federal requirements to administer the child support program and ensure compliance with federal regulations. However, local services are delivered through the counties, usually under the auspices of the county social service boards, with the notable exception of Ramsey County in which the county child support services are delivered through the Ramsey County Attorney. Under the existing model, the county attorneys also play a significant role in providing the necessary legal services to the program under cooperative agreements with the county child support program. Other service providers include county services for service of process, genetic testing providers, and the state judiciary who provides magistrates for Expedited Process proceedings and other child support proceedings under an intergovernmental agreement with CSED. Under this agreement, the judiciary provides eight full-time and 28 contract magistrates to hear these proceedings which are funded by the child support program through a combination of state general funds and federal financial participation (FFP).
- 93 Under the existing service delivery model, Minnesota has historically been a high performing child support program. While there are many different metrics which can be used to measure the performance of a child support program, state child support programs are generally measured on their performance under the federal performance incentive measures.
- 94 In 1998, Congress passed the Child Support Performance Incentives Act (CSPIA), which established five primary measures to drive the performance of each state's child support program. Under CSPIA, Congress created financial incentives for state child support programs to attain high success rates under the measures by allocating federal incentive awards for strong outcomes. The Federal Office of Child Support Enforcement (OCSE) monitors state performance, ensures reliable data, and oversees the distribution of federal incentive dollars based on how well a state ranks compared to the collective performances of all other states. There is a set dollar pool for each fiscal year, and every state competes for its share. This means the incentive amount a state receives is dependent upon the state's performance improvement relative to the overall rate of improvement in other states.
- 95 The five federal performance measures are:

- **Paternity Establishment** - Percentage of children born out-of-wedlock for whom paternity is established
- **Support Order Establishment** - Percentage of open cases with a child support order established
- **Collections on Current Support** - Percentage of current support owed that is collected when due
- **Collections on Arrears** - Percentage of arrears cases with arrears collections
- **Cost Effectiveness** - Total collections compared to total program cost

96 Table 8 shows Minnesota's performance over the last four federal fiscal years (FFY) for each of the CSPIA performance measures.

Year	Paternity Establishment	Support Order Establishment	Collections on Current Support	Collections on Arrears	Cost Effectiveness
FFY 2005	96.1	82.1	69.3	66.1	4.22
FFY 2006	96.5	82.5	68.8	66.2	4.05
FFY 2007	96.4	82.4	69.2	67.0	4.01
FFY 2008 (unaudited)	97.4	84.3	70.1	68.3	3.92

**Table 8: Minnesota Three-year Performance – Federal Performance Measures**

- 97 While Minnesota performs well on four of the five federal performance measures, its overall cost effectiveness of program administration continues to decline. In FFY 2008, Minnesota fell below 4.00 to 3.92, which could result in an estimated loss of federal incentives to the state of approximately \$231,000. When coupled with the temporarily restored federal financial match on incentives, this translates into a potential loss of \$693,000.
- 98 The factors driving this declining cost effectiveness are twofold: collections have remained relatively flat while program expenditures have increased at a rate greater than the increase in collections. As shown in Figure 12, Minnesota's collections have increased by an average of 1.5% annually since 2004, while Minnesota's program expenditures have increased by an average of 2.5% annually in the same period.

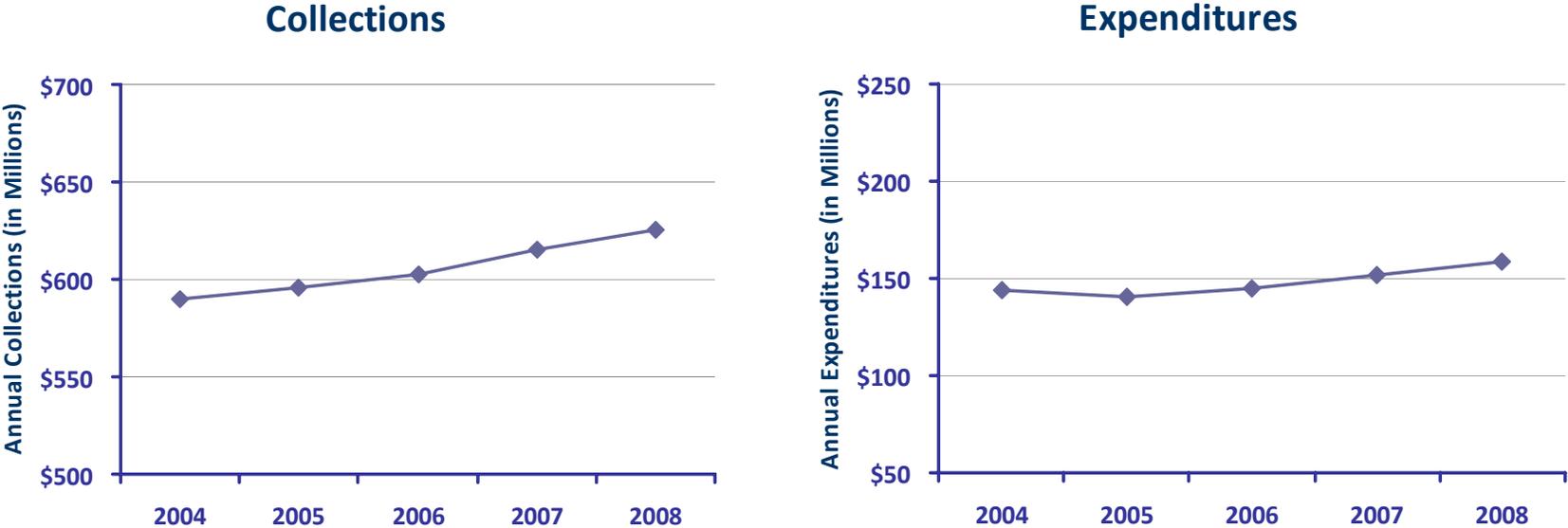
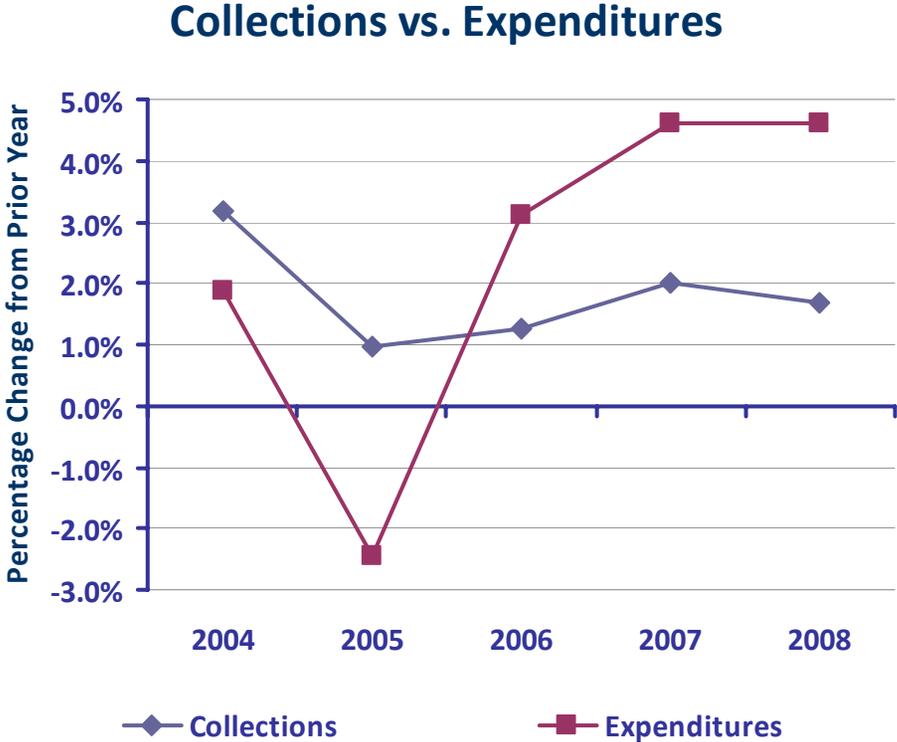


Figure 12: Collections and Expenditures Increases 2004-2008

99 Expressed as a percentage change from the prior year, the difference between collections increase and expenditures increase becomes more apparent, although overall program expenditures declined in SFY 2005 compared to SFY 2004. Even with that decline, comparing the annual change in collections and expenditures, Figure 13 illustrates that program expenditures are increasing at a faster rate than the overall increase in collections.



**Figure 13: Rate of Annual Collections and Expenditures Increase**

100 In examining the factors contributing to the increase in overall program expenditures, an analysis of expenditures at the state and county level shows that the growth in expenditures is primarily occurring at the county offices and is driven by salary increases and increases in indirect costs that are outpacing the rate of increase in direct costs. Figure 14 provides a comparison of the increases in costs and the changes in staffing levels at the state and county levels. This comparison illustrates that expenditures and staffing at the state office have remained relatively constant while expenditures and staffing have increased in the county offices. Therefore, the expenditure element of the cost effectiveness ratio is impacted more heavily by expenditures at the county level than the state office.

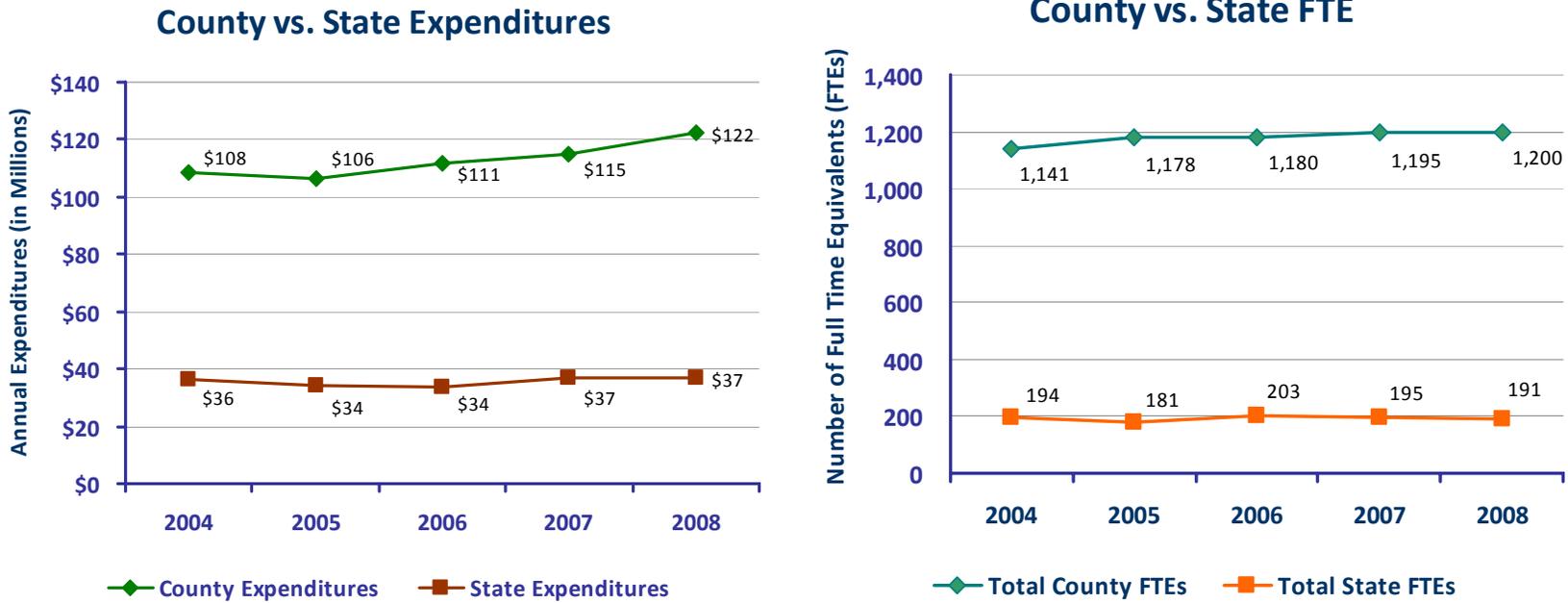
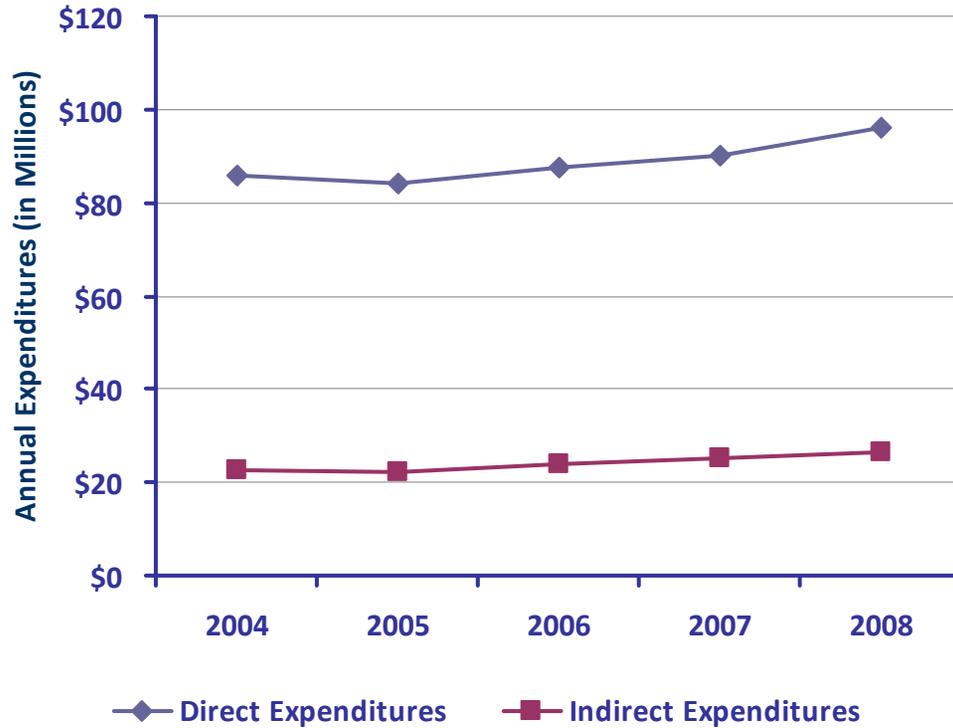


Figure 14: County and State Expenditure and FTE Trends 2004-2008<sup>3</sup>

101 Examining the increase of costs at the county level by separating direct costs from indirect costs provides a view of the drivers for the increase in costs at the county level. Direct costs consist primarily of salaries and general operating expenses associated with providing child support services. Indirect costs are those county expenditures for general services and facilities which are charged to the child support program and submitted for federal funding. Given the relatively high rate of federal financial participation for child support costs (66%), there is a tendency for counties to perceive that it is in their financial interest to allocate indirect costs to child support as much as is legitimately justifiable. Figure 15 illustrates the comparative increase in direct and indirect costs at the county offices. The increase in indirect costs is the result of changes in the county cost allocation plans which, over time, have increased the allocation of costs to the child support program.

<sup>3</sup> State expenditures include intergovernmental agreement with the courts for magistrate services. FTE numbers do not include cooperative agreement FTEs.

## Direct vs. Indirect Expenditures



**Figure 15: Direct and Indirect County Expenditures 2004-2008**

102 Although indirect costs are increasing, the bulk of county expenditures and the higher rate of cost increases are associated with direct costs. As is the case with most child support programs, salaries are the largest element of county expenditures for child support, as the primary resource for the child support program is the employees who deliver the program’s services. As salary expenses in the majority of counties (57) are governed by labor agreements, the increase in salary expenses is dictated more by the terms of those agreements than by an increase in the number of FTEs or general economic inflation. Figure 16 illustrates the comparative rate of increase of salaries and benefits, other direct costs, and indirect costs which are contributing to the increase in overall county expenditures.

### Salaries & Benefits vs. Other Direct vs. Indirect Expenditures

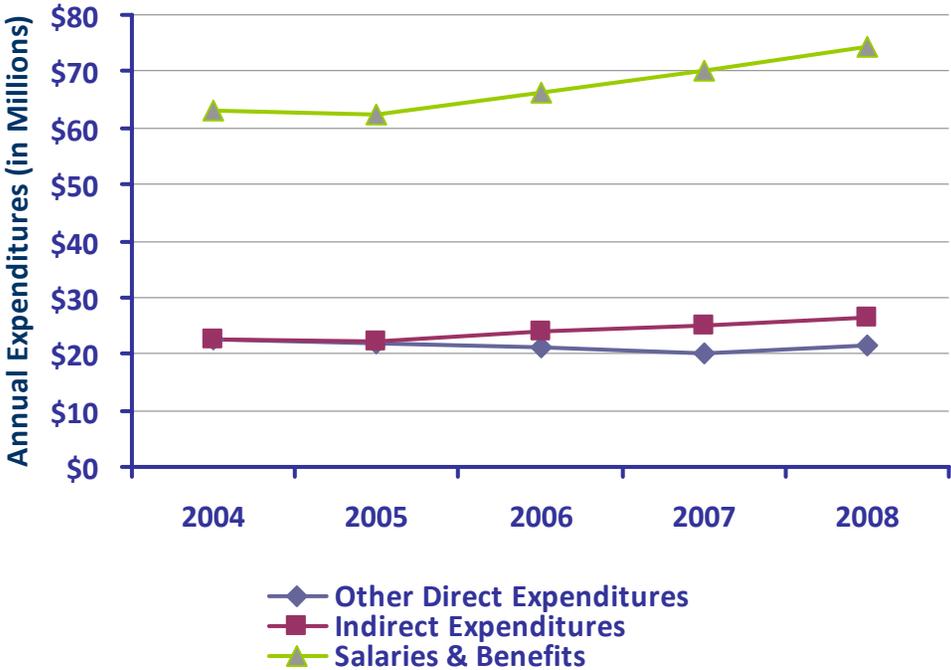


Figure 16: County Expenditures- Salaries & Benefits, Direct and Indirect Costs 2004-2008

- 103 The overall trend of expenditures increasing faster than collections and depressing overall cost effectiveness emphasizes the need for this analysis of the service delivery model. The current service delivery model, while providing quality services in many areas of the program, is delivering those services with declining efficiency and cost effectiveness.
- 104 A particularly dramatic indicator of this trend is the cost effectiveness ratio of increased program expenditures. Each additional dollar spent on the program in SFY 2008, when compared to the increased collections for SFY 2008, had a cost effectiveness ratio of 1.47. Figure 17 illustrates the decline in this marginal return on investment; in other words, the cost effectiveness of each additional dollar spent on the program compared to the annual increase in collections. The result of this trend for Minnesota as a whole is that it is costing more each year to achieve essentially the same results. Factors which contribute to this trend include the inability for the program as a whole to allocate or focus resources on initiatives which may increase collections and the inability to control overall program expenditures across multiple state and county cost centers.

### Marginal Return on Investment

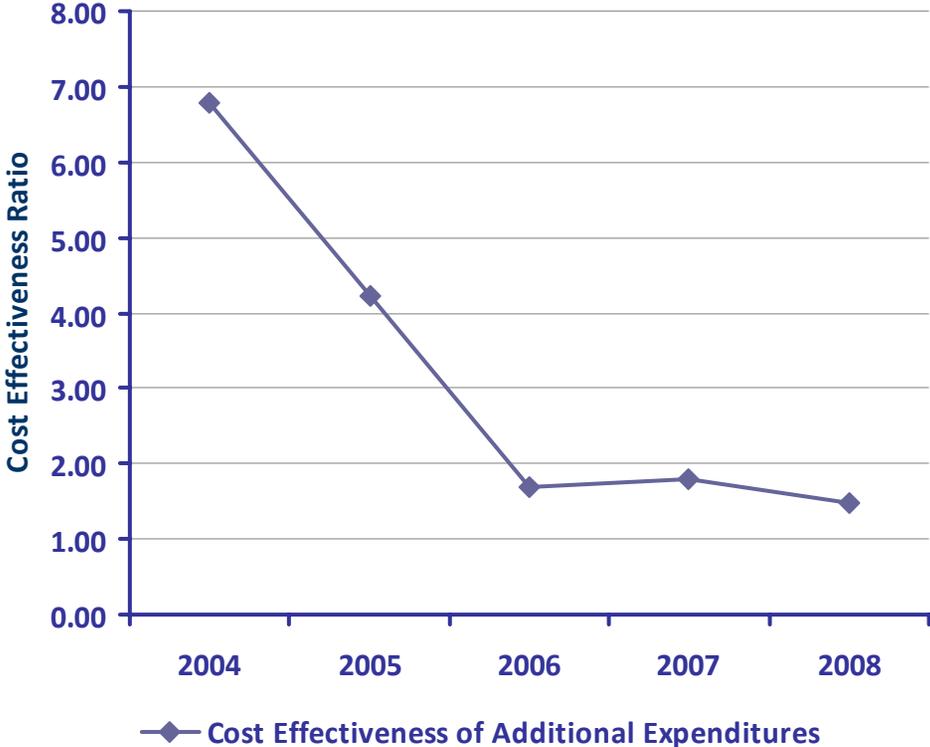


Figure 17: Marginal Return on Investment 2004-2008

105 These trends in declining cost effectiveness could be addressed through a consideration of changes in the service delivery model to improve the efficiency of providing child support services. Cost effectiveness is a function of total collections and program expenditures. Under the current service delivery model, efforts to increase total collections are dependent upon achieving cooperation between CSED and the 84 independent county offices to focus resources on those efforts. Similarly, the current service delivery model does not support control of program expenditures, as those expenditures are set by 84 independent county governing boards and two state cost centers, CSED and the courts. Accordingly, absent a change in the service delivery model, overall cost effectiveness will likely continue to decline with the consequence of a continued loss of federal incentives.

## Key Questions and Answers

106 In the Request for Proposal (RFP) for this project, CSED asked that the following questions be addressed in *Deliverable #2: Existing Service Delivery Model Assessment*:

- **Is Minnesota’s structure more complex than necessary?** Yes, the current service delivery model relies upon a complex interrelationship between independent governmental agencies including the state executive branch, county governments, county attorneys, and the judiciary. This structure relies upon the coordination and cooperation of one state agency, CSED, 84 county child support offices, 87 county attorney offices, and the court system. Excluding the judiciary and other related service providers such as the sheriffs who provide service of process, the current model has 172 different service providers. For the customer and the public, this results in an often bewildering mix of agencies providing fundamental child support services.
- **How does Minnesota’s administrative program structure differ from other states?** Minnesota differs from other states in two critical ways, as a state supervised, county operated program, its governance structure is loosely defined and the delivery of legal services is provided by independent county attorneys who may not regard the IV-D program as their primary client. Minnesota is one of many states which are state supervised and county operated; 24 states have some form of service delivery in which local services are delivered by an independent local governmental agency, whether county, court trustee, county attorney or prosecutor, or some combination thereof.

However, the trend over the life of the IV-D program nationally since 1975 has been to either strengthen the governance controls with the county operated service providers or to move away from this model altogether towards full state administration of the IV-D program. Examples of both of these trends are Pennsylvania, which continues to be county operated but has instituted robust governance controls for the county service providers, and North Dakota, which changed from a county operated program to full state administration in 2007.

Additionally, the manner in which legal services are delivered in Minnesota differs from other states in the degree of independence exercised by the county attorneys and the manner in which the expenditures for legal services are set. Other states have statutory language or specific agreements which clearly delineate the role of the program’s attorneys and establish the IV-D program, rather than the county, as the client in the attorney / client relationship.

- **Are there best practices from other states that Minnesota should adopt?** Yes, there are many service delivery options which Minnesota could adopt to streamline its service delivery and increase its overall cost effectiveness. These practices are identified in the Industry Analysis and Options Analysis sections of *Deliverable #2: Existing Service Delivery Model Assessment*. Concerning the underlying structure of the service delivery model, a key leading practice is to take measures to increase the consistency in both the delivery of child support services and improve the cost effectiveness of the delivery of those services. We presented three different service delivery options that could provide varied degrees of improvement in the consistency of services delivered and of the cost effectiveness of the program.
- **Is the Minnesota Child Support Program sufficiently resourced and staffed? Over resourced or over staffed? Under resourced or under staffed?** Under the current service delivery model, characterized by multiple points of service delivery and limited automation of routine casework, Minnesota is sufficiently staffed. The current service delivery model is dependent upon caseworker intervention to perform routine tasks such as issuing an income withholding order in order to accommodate variances in policy and practice in the county offices. This dependence upon manual caseworker activity rather than automated casework activity when coupled with the diffuse service delivery points (84 county offices) requires a heavy investment of the most expensive resource, the program’s employees.

Accordingly, when compared to other states on the basis of caseload to FTE ratio, Minnesota is over staffed. For example, when compared to the benchmark states in the ASDM and BPR studies, Minnesota has the lowest caseload to FTE ratio at 154:1 while the benchmark states range from 208:1 to 406:1. This is an indicator of the duplication of effort that occurs with 84 different offices delivering child support services under a variety of organizational models. Within the county offices, there are wide variances in terms of resources and staffing so there is not a consistent level of resources and staffing throughout the state. For example, within the Minnesota county offices, the caseload to FTE ratio ranges from 112:1 to 275:1.

- **Could a different model or changes to the existing model help deliver a more consistent level of services statewide?** Yes, in our assessment of the service delivery model, we found wide variances in the delivery of basic child support services. For example, in county offices, the average time it takes from opening a case to the establishment of a support order varies from 71 days to 317 days. Changing the service delivery model to enhance the governance of county delivery of services or to move to full state administration could improve the consistency of service delivery.
- **Are federal funds used as efficiently as possible? Is Minnesota getting the best use of the federal incentives it earns?** As to the federal financial participation (FFP) funding, that source of federal funding is based upon the state or county expenditures on the program. As noted, Minnesota's cost effectiveness is declining and, therefore, overall program funding and the associated FFP is not being used as efficiently as possible. The other source of federal funding is the federal performance incentives. By Minnesota statute, the federal incentives earned are 100% allocated to the counties on the basis of the individual county's performance on the federal performance measures. This methodology does not permit the state to reallocate this source of federal funding to emphasize certain activities or to support current initiatives. Additionally, basing the allocation of the cost effectiveness portion of the federal incentives upon the county's performance on the federal scale does not recognize that the county performance cost effectiveness must exceed the federal scale for the state as a whole to earn the maximum federal incentive on this measure.

For example, if all of the counties achieve a cost effectiveness ratio of 4.00; the state as whole will not achieve a ratio of 4.00, as the cost effectiveness calculation for the counties does not account for the state office expenditures which are not associated with a specific amount of collections. Accordingly, in SFY 2008, the counties had a cost effectiveness ratio of 5.11 which resulted in a statewide cost effectiveness of 3.92. For the state as a whole to achieve a cost effectiveness ratio of 4.00, the cost effectiveness ratio for the counties would need to be 5.23. Yet the current structure for distributing federal incentives does not allow for adjusting the incentive formula to reflect the fact that counties must exceed the federal measures for the state as a whole to increase its share of the federal incentives.

- **Are there services that are delivered locally which could be delivered more efficiently if centralized or regionalized? If regionally, how might the regions be determined?** Yes, in the Options Profiles section we identify services which could be delivered more efficiently if centralized or specialized and delivered on a regional or shared services basis. The efficiency gains of the services being centralized, specialized or regionalized is dependent upon the particular service and the model under which the services are delivered. In considering regionalizing, the model used was to align the proposed regions with the judicial districts in recognition of the important role that the judiciary plays in establishing paternity and support orders and in some enforcement remedies.
- **Are there services that are delivered centrally which could be delivered more efficiently at the regional or local level?** No, neither the ASDM Project nor the Policy BPR Project identified services which are currently delivered centrally which could be more efficiently delivered at the local or regional level. As discussed above, we have found that delivery of services at the local level has resulted in inconsistencies in services delivery, resulting in wide variances in time to deliver those services. Currently, there are only limited services delivered centrally and

the trend in Minnesota as well as nationally has been to centralize more services to take advantage of economies of scale and the benefits of new technology, rather than to decentralize.

- **How will any recommended changes to the service delivery model impact child support clients?** The options presented provide the means to improve the consistency of services delivered throughout the state. Under these models, the level and type of services would no longer vary depending upon which county has ownership of a particular case. Services could be provided in accordance with statewide policies and practices. The primary negative impact of the changes proposed could be to potentially reduce the ability to have easy access to a child support office within your county. In this deliverable, we propose three options; State Operated Regional Offices, County Operated Regional Offices with Enhanced Governance, and County Operated with Enhanced Governance. Under the County Operated with Enhanced Governance model, there would be little impact on the child support clients unless the counties elect to consolidate their local offices. Under the other two options, County Operated Regional Offices with Enhanced Governance and State Operated Regional Offices, services would be delivered from regional service centers. While the ability for local walk-in accessibility would be reduced under these options, this impact is minimal as walk-in traffic is less common than telephone contact which could be enhanced with toll-free numbers for the regional offices.
- **Are there better ways to fund the non-federal share of the program's cost?** The non-federal share of the program's cost (the cost remaining after FFP and federal performance incentives) will remain proportionately the same under any service delivery model unless Minnesota's performance on the federal incentive measures improves. One benefit of the proposed options is a focus on improving the efficiency of the service delivery and thereby reducing the total cost of the non-federal share of the program's cost. Under the two county operated models, the non-federal share of the program's costs funded by counties would remain proportionally the same although total costs would be reduced through budget controls and greater consistency in indirect costs and legal services costs. Under the State Operated Regional Offices option, the non-federal share becomes entirely state funded which also provides the greatest ability to allocate resources across all of the program's services most efficiently.

## Summary of Industry Analysis

### Benchmark Study

107 As part of the process of considering alternative service model options, CSED considered it vital to understand how other states deliver child support services. Specifically, CSED asked that five states be reviewed to determine how services are provided and whether leading practices could be transferred to Minnesota. We worked with CSED at the outset of the project to select the states for inclusion in this analysis. Table 9 shows the states selected and provides a brief explanation for their inclusion.

State	Reason for Selection as Benchmark State
Texas	<ul style="list-style-type: none"> <li>• Service delivery model contrasts Minnesota’s – state supervised and state operated</li> <li>• Umbrella agency that is different than Minnesota’s – child support is within the Office of Attorney General</li> <li>• High performing state – Texas has been a recent leader in performance improvement, especially with collections</li> <li>• Texas is in the process of incrementally replacing its statewide child support computer system</li> </ul>
North Dakota	<ul style="list-style-type: none"> <li>• Service delivery model that contrasts Minnesota’s – state supervised and state operated</li> <li>• Example of a state that recently changed from county operated to a state operated service delivery model</li> <li>• A state that is similar to Minnesota due to geography, its being a border state, and similarities in demographics with its small rural offices</li> </ul>
Florida	<ul style="list-style-type: none"> <li>• Service delivery model that contrasts Minnesota’s – state supervised and state operated</li> <li>• Umbrella agency that is different than Minnesota’s – child support is within the Department of Revenue</li> <li>• Example of a state that has centralized a number of key functions typically performed at the local level</li> </ul>
Colorado	<ul style="list-style-type: none"> <li>• Similar service delivery model as Minnesota – state supervised and county operated</li> <li>• Example of a state that has several counties that have privatized child support services with a vendor</li> </ul>
Wisconsin	<ul style="list-style-type: none"> <li>• Similar service delivery model – state supervised and county operated</li> <li>• A state that is similar to Minnesota due to geography, its being a border state, and similarities in demographics</li> </ul>

**Table 9: States Selected for Benchmark Study**

108 For each of the benchmark states, a collection of relevant data points was obtained from the OCSE FFY 2008 Preliminary Report and benchmark state questionnaires. Table 10 and Table 11 provide comparative summary views of the benchmark states compared to Minnesota’s child support program. (Note that instances in which the benchmark state’s performance exceeds Minnesota’s are indicated with italics.)

Program Information FFY 2008	MN	TX	ND	FL	CO	WI
<b>Paternity Federal Performance Measure</b>	<b>97.4%</b>	91.0%	<i>104.0%</i>	90.7%	94.9%	<i>100.3%</i>
<b>Orders Established Federal Performance Measure</b>	<b>84.3%</b>	83.5%	<i>87.0%</i>	73.9%	<i>87.5%</i>	83.4%
<b>Current Support Federal Performance Measure</b>	<b>70.1%</b>	64.5%	<i>75.9%</i>	52.4%	61.9%	<i>70.7%</i>
<b>Paying Arrears Cases Federal Performance Measure</b>	<b>68.3%</b>	<i>68.6%</i>	<i>72.7%</i>	62.3%	<i>70.6%</i>	62.0%
<b>Cost Effectiveness Federal Performance Measure</b>	<b>3.92</b>	<i>9.42</i>	<i>5.81</i>	<i>4.33</i>	<i>4.25</i>	<i>6.65</i>

**Table 10: Benchmark States Federal Performance Measures**

Program Information FFY 2008	MN	TX	ND	FL	CO	WI
<b>Caseload</b>	<b>247,950</b>	1,099,311	41,104	792,233	140,356	355,294
<b>FTEs<sup>4</sup></b>	<b>1,610</b>	2,706	174	3,085	676	1,120
<b>FTEs in Local Offices</b>	<b>1,329</b>	2,206	132	2,475	606	1,064
<b>FTEs in State Offices</b>	<b>281</b>	500	42	610	70	56
<b>Caseload per FTE</b>	<b>154:1</b>	406:1	236:1	257:1	208:1	317:1
<b>Caseload per Local Office</b>	<b>2,952</b>	15,705	5,138	18,005	2,193	5,004
<b>Collections</b>	<b>\$614,573,014</b>	\$2,558,700,378	\$77,782,032	\$1,260,905,917	\$284,235,054	\$633,465,202
<b>Collections 5 Year Change</b>	<b>+10%</b>	+70%	+25%	+42%	+40%	+10%
<b>Collections per FTE</b>	<b>\$381,722</b>	\$945,566	\$447,203	\$408,722	\$420,466	\$565,594
<b>Collections per Case</b>	<b>\$2,479</b>	\$2,328	\$1,892	\$1,592	\$2,025	\$1,783
<b>Expenditures</b>	<b>\$162,181,201</b>	\$286,658,214	\$14,833,031	\$322,598,567	\$74,813,371	\$98,021,621
<b>Expenditures 5 Year Change</b>	<b>+14%</b>	+39%	+27%	+40%	+4%	-3%
<b>Expenditures per FTE</b>	<b>\$100,734</b>	\$105,934	\$85,247	\$104,570	\$110,671	\$87,519
<b>Expenditures per Case</b>	<b>\$654</b>	\$261	\$361	\$407	\$533	\$276

Table 11: Benchmark States At a Glance

### Other Practices

109 In addition to the states selected for the benchmark study, there are other state child support enforcement programs which have addressed service delivery model issues or implemented organizational or structural changes designed to improve their performance or the delivery of services. Table 12 highlights the issues and considerations Minnesota may wish to consider regarding other states' leading practices related to organizational structure.

<sup>4</sup> ND FTEs include contract attorneys. FTEs for WI adjusted from FFY 2008 preliminary federal report to include state office staff per WI guidance.

State	Issue	Minnesota
Idaho	Increase order establishment performance, improve relations with courts and customers and reduce costs.	Consider the use of private law firms to conduct child support legal services.
	Increase the level of successful Service of Process and reduce do-over activities related to unsuccessful service.	Consider the use of private process servers and pay for only successful service. Ensure locate process is designed to include 'validation' of located non custodial parent location.
Nevada	No county stakeholder buy-in for the support and direction of the child support program.	Consider the creation of a task force committee consisting of proper county representation.
	No funds for overall program improvements.	Consider withholding a percentage of the incentives that are currently passed down to the counties as funds for improving the child support program 'statewide'.
Georgia	Leveraging the economies of scale for child support case activity	Consider how leveraging the economies of scale for certain child support activities would best serve the Minnesota program and staff resources.
	Virtual Customer Service	Consider how the Minnesota current county practice of telecommuting could be expanded into customer service call center type work.
Washington State	Caseload leveling	Consider utilizing a caseload leveling technique for Minnesota that continues to balance caseloads across all child support caseworkers.
Oregon	Transfer the child support program from HHS to Department of Justice.	Minnesota may wish to consider how Oregon was able to obtain support for their change and see if those methods are applicable to Minnesota.

**Table 12: Summary of Other Practices**

**Industry Analysis Conclusion**

110 The Industry Analysis presented information regarding the chosen benchmark states plus selected experiences or practices from other states that may have value to Minnesota. Although there are federal requirements that all state child support programs must meet, there is considerable flexibility in how the different states comply with those federal requirements. These variations in service delivery models coupled with the particular legal and political environments in a given state often make clear contrasts and comparisons subject to nuanced interpretations. In assessing the applicability of a particular state’s practice or delivery structure, a more relevant and meaningful view may be assessing the alignment of the benchmark state’s delivery models with the evaluation criteria set by CSED.

111 The following tables evaluate the alignment of each benchmark state’s service delivery model with the evaluation criteria summarized in Table 13.

Evaluation Criteria	Definition
Consistency	<ul style="list-style-type: none"> <li>State child support policies should be implemented in a consistent manner. The citizens of Minnesota should expect to receive the same level and type of services regardless of where they live or which entity is responsible for their case.</li> </ul>
Cost Effectiveness	<ul style="list-style-type: none"> <li>The Minnesota child support program should seek ways to be good stewards of the local, state, and federal funding of the program and also attempt to deliver child support services in the most cost-effective manner possible.</li> </ul>
Performance Driven	<ul style="list-style-type: none"> <li>Clear performance measures need to be established that are used to determine the quality of services delivered to families.</li> </ul>
Clear Delineation of Roles & Responsibilities	<ul style="list-style-type: none"> <li>There needs to be a clear understanding of the roles and responsibilities of the various partners involved in the delivery of child support services. If partners are going to be held accountable for performance, they need to know what is expected of them and which resources they have at their disposal for assistance.</li> </ul>
Accountability	<ul style="list-style-type: none"> <li>Since the state is held accountable for overall statewide performance, it should be provided the authority and the tools required to set standards and have control in achieving the desired performance outcomes. An included criterion in this is the ability to take remedial actions with partners that are not meeting performance expectations.</li> </ul>
Focus on Simplification & Streamlining	<ul style="list-style-type: none"> <li>Efforts should be made to reduce the complexity of the child support service delivery model and processes that are performed within it. Duplication of efforts should be minimized and energies focused on high-value activities that lead toward desired performance outcomes.</li> </ul>

**Table 13: CSED Evaluation Criteria**

Consistency

112 The consistent delivery of child support services across a state in conformance with established policies and practices promotes efficiency and builds public confidence in the child support program. Table 14 presents a summary evaluation of each benchmark state and how their service delivery promotes consistent service delivery.

Evaluation Criteria	Texas	North Dakota	Florida	Colorado	Wisconsin
Consistency	<p>Relies upon their program evaluation efforts, communication with the leadership team and automation and centralization of CSE functions that lend themselves to leveraging the advantages of the economies of scale to deliver consistent services.</p> <p>Utilizes extensive training program with on-line 24/7 access for caseworkers to reinforce consistency.</p> <p>State operated service delivery model inherently reduces the number of political entities and their individual concerns regarding people, processes and technology.</p>	<p>In 2007 transitioned to a state operated service delivery model. North Dakota eliminated a number of stakeholder concerns regarding inconsistent child support services.</p> <p>State policies and procedures are now the policies staff must adhere to therefore, progress is being made towards consistency in the delivery of services.</p>	<p>Florida is in the middle of developing a new child support computer system. They are using current policies as the main driver for consistency during this time.</p> <p>The new system (CAMSII) will help drive consistency in the application of services.</p>	<p>Relies upon their Task Force for consistent policy development and interpretation. This committee drives consistency with stakeholder buy-in relating to the application of the program.</p> <p>The process is slow but once the buy-in happens, the resistance to change is minimal.</p> <p>Colorado's program evaluation unit reviews production data daily, handles customer complaints and coordinates with the county directors. This information provides the data necessary to ensure corrections are made regarding the delivery of consistent services.</p>	<p>Relies upon program evaluation and the county and state leadership team through their annual planning and evaluation to set goals and improve performance in the delivery of services to the customer.</p> <p>Program evaluations address adherence to policies and procedures, make recommendations for course corrections and monitor those changes.</p>

Table 14: Consistency

Cost Effectiveness

113 Being good stewards of the local, state, and federal funding of the program and also attempting to deliver child support services in the most cost-effective manner possible is a common goal of all the benchmark states. Table 15 provides a summary of the features of the benchmark states which promote cost effective service delivery.

Evaluation Criteria	Texas	North Dakota	Florida	Colorado	Wisconsin
Cost Effectiveness	<p>Texas is the number two state in the cost effectiveness measure.</p> <p>Uses automation and program efficiencies to reduce costs and increase collections.</p>	<p>Top third in the country regarding cost effectiveness. North Dakota focuses on expanding collections.</p> <p>Since transitioning to state operation is relatively new to North Dakota they have begun efforts to reduce costs through controls that having a single budget permits.</p>	<p>Florida is in the middle third of states for cost effectiveness. This is partly due to new systems costs.</p> <p>The CAMS II system will help drive consistency as new business processes are being incorporated into the system.</p>	<p>Colorado is in the middle third of states for cost effectiveness.</p> <p>Colorado is not one of the most cost effective programs in part due to the counties having control of their own budgets and the state not having any budget authority over the counties.</p>	<p>Wisconsin is in the top third of the country in cost effectiveness.</p> <p>Although there is little state control over county office budgets. Wisconsin stresses only funding those activities (Establishment and Collections) that yield a substantial program and return on investment benefit.</p>

Table 15: Cost Effectiveness

Performance Driven

114 The term performance driven refers to effective performance measurement and management within the state which establishes clear performance metrics and provides the tools to measure performance against those metrics. Table 16 summarizes the performance management efforts and tools of the benchmark states.

Evaluation Criteria	Texas	North Dakota	Florida	Colorado	Wisconsin
Performance Driven	<p>Treats all offices the same regarding performance. Uses Dashboards, Case Analytics, Ad-hoc Reports and Performance Reviews.</p> <p>Utilizes email with customers for faster communication between caseworkers and customers.</p> <p>Offices have an annual comprehensive program audit beyond the OCSE self assessment.</p> <p>Staff have annual performance reviews tied to performance. Also regional and office managers review performance daily and make course adjustments.</p>	<p>Utilizes performance reviews by the state office. Goals are set statewide and performance bonuses are paid per worker in the two most improved offices.</p> <p>Utilizes arrears stratification processes and has an arrears reduction program that moves cases towards closure so caseworkers spend more time working cases with current support due.</p>	<p>Florida's new system development project has required that the focus for the program be on collections activities first.</p> <p>Performance targets are established statewide and reduced to local service sites and then individuals.</p> <p>Critical job tasks are incorporated into employee evaluations.</p>	<p>Performance driven through their policy and program evaluation unit. Goals are set statewide for every county. Focus is on larger county performance due to the impact upon the program statewide.</p> <p>Colorado conducts annual program evaluations and requires counties to update performance plans when deficiencies are discovered. The state also monitors performance monthly and looks for trends in performance and communicates concerns to the county directors.</p> <p>Colorado is developing a dashboard for caseworkers and is piloting that now in a few counties.</p>	<p>Performance driven from the top down. Measures performance and openly shares each county's progress across the state to drive performance through competition.</p> <p>Workers can suppress and prioritize some work list items as a way to set their own priorities for work.</p> <p>There are performance reviews at the local office and office unit levels but not at the employee level.</p> <p>Penalties regarding poor performance are the loss of a percentage of their incentive funds per measure.</p>

Table 16: Performance Driven

Delineation of Roles and Responsibilities

115 Child support programs, regardless of whether state or county operated, rely upon variety of different providers to deliver quality services. A clear delineation of roles and responsibilities reduces confusion both on the part of the participants in the program as well as customers and the public over where to access particular services and the provider of those services. This clarity also reduces or eliminates internal debates about the authority to set and enforce clear, statewide policies and practices. Table 17 provides a summary of how the benchmark states attempt to achieve this clarity in roles and responsibilities.

Evaluation Criteria	Texas	North Dakota	Florida	Colorado	Wisconsin
Clear Delineation of Roles and Responsibilities	<p>Roles are defined within the organization. Annual personnel performance plans describe roles and job descriptions.</p> <p>Vendor contracts include language regarding role and performance expectations.</p>	<p>By transitioning to state operated program, roles are defined within the organization.</p> <p>New roles and job descriptions have been developed by the state Human Resources agency.</p>	<p>As a state operated program, roles are defined within the organization. Roles and job descriptions have been developed by the state Human Resources agency.</p>	<p>Roles are defined in statute which directs that the counties provide the delivery of child support services.</p> <p>Counties understand their roles for performance and the state supports their efforts.</p>	<p>The culture and annual performance meetings established in Wisconsin between the state and the counties have resulted in clear delineation of roles and responsibilities.</p> <p>Statute provides for the counties to deliver services and to work with the state to set performance goals. State has the authority to penalize counties for poor performance by reducing incentive payments for each federal measure goal that was not achieved.</p>

Table 17: Clear Delineation of Roles and Responsibilities

Accountability

116 Child support programs provide vital services for the children and families of their states and these customers, as well as the public at large, have legitimate service expectations. As such, accountability for the quality and effectiveness of the services provided is a key element of a successful child support program. Table 18 assesses the accountability present in each benchmark states’ service delivery model.

Evaluation Criteria	Texas	North Dakota	Florida	Colorado	Wisconsin
Accountability	<p>State operated. Focuses on holding staff accountable for work performed.</p> <p>Holds every caseworker, manager, and regional leadership accountable for maximizing performance and reducing operational costs.</p> <p>Annual performance plans incorporate accountability for each role.</p>	<p>State operated. Focuses on holding staff accountable for work performed.</p> <p>Regional office managers are now accountable to the IV-D Director for performance and management of the regional office.</p>	<p>State operated. Focuses on holding staff accountable for work performed.</p> <p>Regional office managers are now accountable to the IV-D Director for performance and management of the regional office.</p>	<p>County operated. Focus is on county accountability.</p> <p>The director has moved towards a consensus decision making approach with the Task Force Committee instead of an authoritative approach.</p> <p>Although he has the authority in statute to implement penalties through the reduction in incentives, the Director has yet to invoke a penalty. The result of the consensus process has negated the need to invoke penalties.</p> <p>State makes efforts to include counties in program decisions and communicates updates frequently with stakeholders.</p> <p>Utilizes court liaison to help with judicial issues affecting performance.</p>	<p>County operated. Focus is on county accountability.</p> <p>Annual meetings with the counties to set goals and objectives for the year and stress accountability and the use of incentive penalties to drive performance outcomes.</p>

Table 18: Accountability

Simplification and Streamlining

117 A streamlined service delivery model supports both efficiency and effectiveness by reducing duplication of effort and misallocation of resources. Table 19 illustrates how the benchmark states attempt to achieve a simplified and streamlined service delivery model.

Evaluation Criteria	Texas	North Dakota	Florida	Colorado	Wisconsin
Simplification and Streamlining	<p>Texas' reputation in the child support community is one that is known for discovering opportunities to improve processes in the delivery of services to the customer and for pioneering solutions. They have been recognized by national child support organizations for their program performance.</p> <p>For Texas, simplification and streamlining is accomplished by continuously evaluating functions that lend themselves to leveraging the economies of scale and then incorporating these functions into central office or automation or both.</p> <p>In addition, performance review results are evaluated daily, monthly, and annually and processes are improved upon where appropriate.</p>	<p>The transition to state operated program has created new opportunities for simplification and streamlining processes. The Director is evaluating and implementing process improvement practices statewide.</p>	<p>Florida's new system (CAMS II) development required examination of business processes. The results will be simplification and streamlining of their business processes and those incorporated into CAMS II.</p>	<p>Strong systems automation is the main focal point for simplification and streamlining of processes. Task Force sub committees are utilized to support this effort.</p> <p>Colorado's evaluation program is responsible for assessing processes that can be improved upon and presenting those to the Task Force.</p>	<p>The state and county process for establishing annual goals and priorities, coupled with penalties for poor performance, drives counties to look for opportunities to improve processes and the state supports those activities whenever possible.</p>

Table 19: Simplification and Streamlining

118 Upon consideration of the CSED service delivery model evaluation criteria, the state operated benchmark states seem to demonstrate the perceived advantages of a state operated model over a county operated model. Both models will support the delivery of child support services in some degree of alignment with the evaluation criteria; however, the state operated model has a closer alignment with all of the criteria. The state operated programs, Texas, North Dakota and Florida, have a higher degree of consistency and accountability and are better able to deliver services in accord with the evaluation criteria.

## Summary of Options

119 The RFP for this service delivery model project requested that the selected vendor provide, if necessary, one or more service delivery model options that could be adopted by Minnesota that would allow it to:

- Manage the most cost effective program possible,
- Maintain the state's high level of performance, and
- Meet all federal requirements that set the criteria of a state child support program.

120 In the options analysis stage of this project, we focused our efforts on identifying potential service delivery models that met these objectives. We considered models that are currently in use by the child support programs we reviewed as part of the State Benchmark Study as well as considering other models that exist from non-benchmark states.

121 From our analysis of the existing service delivery model and the Industry Analysis, we identified three options which would improve the overall efficiency and cost effectiveness of Minnesota's child support program.

### Option 1: State Operated Regional Offices

122 This option transforms the Minnesota child support program from a county operated service delivery model to a state operated child support service delivery model. The new structure provides direct central control over all aspects of the program, maximizing economies of scale and resource reallocation to improve efficiency, resulting in overall program savings. While there will no longer be a need for cooperative agreements between the counties and CSED, there will still be cooperative agreements between the state program and the courts and sheriffs (if used for service of process).

123 The state operated model places child support program leadership, management, planning, organizing, evaluating, and providing customer services under the direct control of the Minnesota Child Support Enforcement Division (CSED) from central office staff to field office staff. CSED would be the only political entity controlling and delivering child support services for the State of Minnesota.

124 Total annual program savings under this model are estimated at \$22,940,125. This option is estimated to require a total of \$20,235,801 in one-time resource and transition costs. Table 20 presents a summary of the pros and cons of this option.

Option 1: State Operated Regional Offices	
Pros	Cons
Enhanced consistency in service delivery	Additional state funding to replace county funding
Improved ability to control the overall cost structure of the child support program	Increase to the total number of state FTEs
Opportunities for improved cost effectiveness	Potential opposition by county government leadership to a loss of federal funding as a county funding source and loss of local jobs
Enhanced opportunities for centralization and specialization	Potential transition risks
Greater control and accountability over the overall state performance	Potential loss in local office accessibility and associated customer complaints
Increased ability to reallocate resources as needed	

**Table 20: Option 1 Pros and Cons**

**Option 2: County Operated Regional Offices with Enhanced Governance**

- 125 This model consolidates all existing county offices into a regional office structure to gain the advantages associated with economies of scale and increased efficiencies associated with the elimination of the duplication of services which currently exist. This model also provides opportunities to centralize or specialize some functions or services now performed in the individual counties either through multi-county or multi-region consortiums or by the state. In this option, the role and responsibility of CSED and the roles of the regional county organizations would be clearly defined in statute and refined further in the shared services agreements and the cooperative agreements.
- 126 Total annual program savings under this model are estimated at \$13,237,336. This option is estimated to require a total of \$17,134,264 in one-time resource and transition costs. Table 21 summarizes the pros and cons of Option 2.

Option 2: County Operated Regional Offices with Enhanced Governance	
Pros	Cons
Enhanced consistency in service delivery through cooperative agreement standards	Complexity in implementing shared services agreements among the member counties
Enhanced cost management by reducing the number of cost centers	Difficulties of selecting host county and regional office sites
Opportunities for improved cost effectiveness	Potential opposition by county government leadership to loss of federal funding as a source of county funding source and loss of local jobs
Enhanced opportunities for centralization and specialization	Complexity in drafting and implementing cooperative agreement terms between counties and the state
Enhanced opportunities for improved performance management	Potential transition risks
	Potential loss in local office accessibility and associated customer complaints
	Resistance to changes in federal and state incentive allocation

**Table 21: Option 2 Pros and Cons**

**Option 3: County Operated with Enhanced Governance**

- 127 This option leaves the current county operated model in place but requires a change to clearly define the roles and responsibilities of the core child support service providers. Specifically, the state office, the county offices, and the county attorneys’ or other legal service provider’s roles will be defined in statute and via cooperative agreements that will govern the parties’ relationships in order to improve the consistency of the services delivered and to define the accountability for the delivery of those services. Under this model, the state office is provided with greater authority to lead and manage the Minnesota child support program through the terms and conditions of the cooperative agreements, and DHS is provided with the authority to allocate state and federal incentives to the counties to encourage those activities that will improve overall state performance.
- 128 Total annual program savings under this model are estimated at \$9,367,373. This option is estimated to require a total of \$2,801,300 in one-time resource costs. Table 22 summarizes the pros and cons of Option 3.

Option 3: County Operated with Enhanced Governance	
Pros	Cons
Enhanced consistency in service delivery through cooperative agreement standards	Complexity in drafting and implementing cooperative agreement terms between counties and the state
Enhanced cost management through cooperative agreement standards	Potential opposition by county government leadership to loss of control over county office budgets and staffing decisions
Opportunities for improved cost effectiveness	Potential opposition to statutory changes to define and clarify the roles and responsibilities of the counties and county attorneys
Enhanced opportunities for performance management through cooperative agreement standards	
Reduced transition risks and costs	

**Table 22: Option 3 Pros and Cons**

## Rationale for Selection of a Service Delivery Model Option

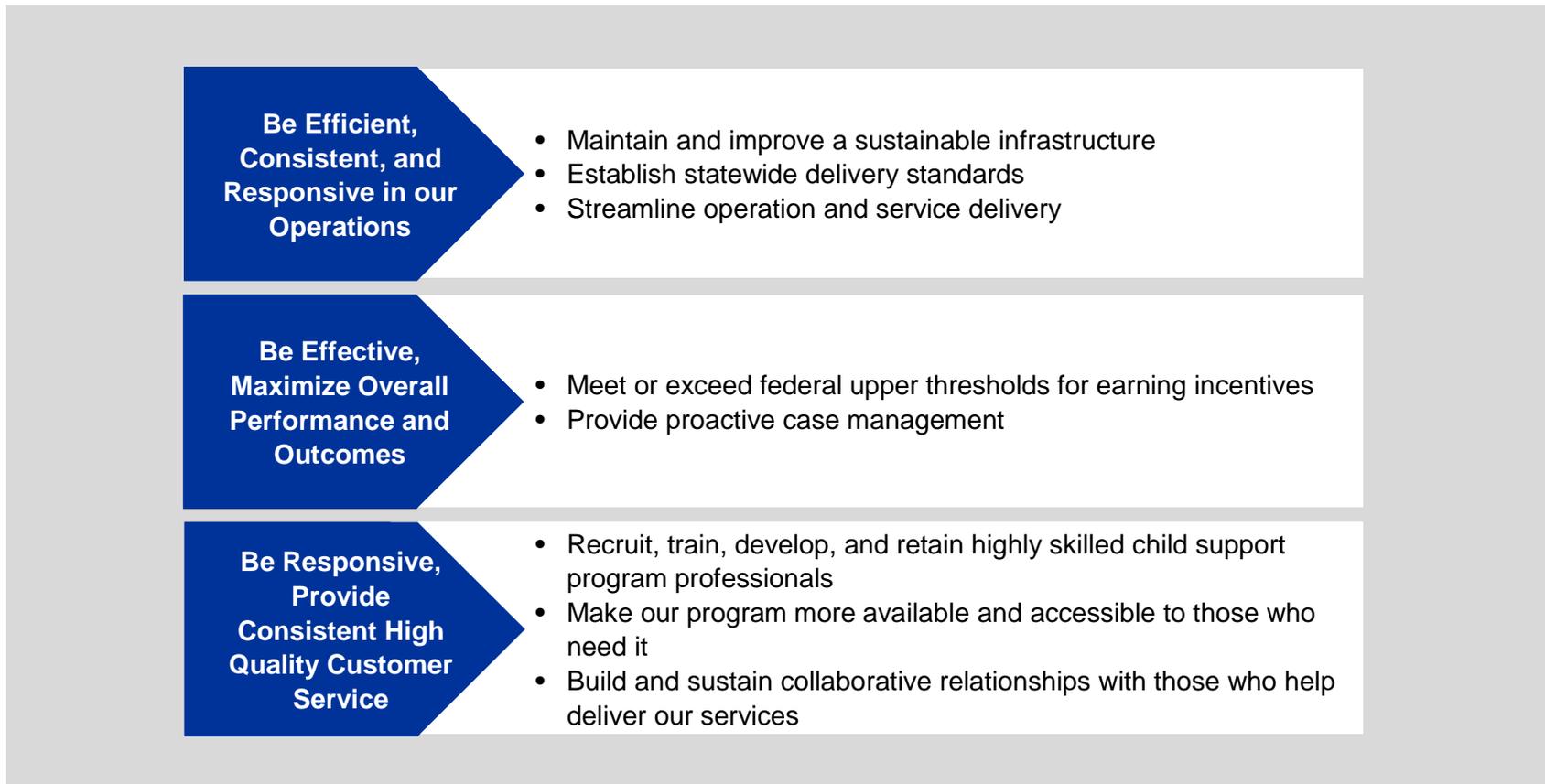
129 In addition to comparing potential options to the three primary goals of the project listed above, it was important that the options take into account the vision, values, and objectives of the Minnesota child support program. Therefore, in our analysis of each of the core service delivery options presented, we considered two key areas of focus. First, we compared each of the options against the goals and strategies outlined in the Minnesota Child Support Program’s 2008-2012 Strategic Plan. Secondly, we contrasted each of the proposed options against the option evaluation criteria provided to us by CSED during this project.

### Child Support Program’s Strategic Goals

130 The Minnesota child support program has three primary strategic goals for the program per the Minnesota Child Support Program’s 2008-2012 Strategic Plan:

- Be Efficient, Consistent and Responsive
- Be Effective, Maximize Overall Performance and Outcomes
- Be Responsive, Provide Consistent High Quality Customer Service

131 These goals are further defined in Figure 18 along with the strategies that the program has identified as the manner in which the goals can be accomplished.



**Figure 18: Minnesota Child Support Strategic Goals and Strategies**

132 As previously mentioned, the analysis of each service delivery option also included the consideration of whether or not the option supported the goals and strategies of the Minnesota child support program. Our approach to doing this was to also consider the objectives that are contained in the Strategic Plan. These objectives are how the child support program will address each core strategy and subsequently each one of its core goals. The purpose was to determine if a particular service delivery option strengthens the program's ability to achieve a strategic objective. Table 23 provides a summary of how the service delivery options align with the key objectives of the Minnesota Child Support Program's 2008-2012 Strategic Plan. In evaluating each model's alignment with the Strategic Plan, we have assessed the degree to which each model could potentially impact the achievement of a particular objective. This assessment is based upon our knowledge of the Minnesota child support program gained through the Policy BPR Project as well as this study, and informed by the Industry Analysis and our professional judgment. Each model is assessed on the level of impact as follows:

-  – This option would likely have no impact on the achievement of this objective
-  – This option would likely have limited impact on the achievement of this objective
-  – This option would likely have significant impact on the achievement of this objective

Strategy	Objective	Service Delivery Option		
		Option 1: State Operated Regional Offices	Option 2: County Operated Regional Offices with Enhanced Governance	Option 3: County Operated with Enhanced Governance
Maintain and improve a sustainable infrastructure	Enhance productivity through technology			
	Manage costs to achieve and maintain fiscal efficiency			
	Secure funding to accomplish outcomes			
Establish statewide delivery standards	Simplify and create user-friendly policies and legal processes			
	Interpret and apply laws and polices consistently			
	Provide similar services statewide to similarly-situated participants			
	Implement statewide enforcement standards			
Streamline operation and service delivery	Assess centralizing or regionalizing activities / functions			

Strategy	Objective	Service Delivery Option		
		Option 1: State Operated Regional Offices	Option 2: County Operated Regional Offices with Enhanced Governance	Option 3: County Operated with Enhanced Governance
	Manage the accumulation of arrears			
Meet or exceed federal upper thresholds for earning incentives	Set individualized performance goals for each county and the state			
	Improve self-assessment performance			
	Increase data reliability to 99 percent			
Provide proactive case management	Ensure reliable payment of support			
	Foster a positive culture of compliance for program participants			
Recruit, train, develop, and retain highly-skilled child support program professionals	Recruit a qualified candidate pool			
	Provide opportunities for staff training and development			
	Retain staff			
Make our program more available and accessible to those who need it	Provide program participants with the information they need to understand and meet program requirements			
	Provide culturally appropriate services			

Strategy	Objective	Service Delivery Option		
		Option 1: State Operated Regional Offices	Option 2: County Operated Regional Offices with Enhanced Governance	Option 3: County Operated with Enhanced Governance
Build and sustain collaborative relationships with those who help deliver our services	Educate partners and stakeholders			
	Receive education from our partners and stakeholders			
	Identify groups that could help us further program objectives			

**Table 23: Alignment of Organizational Options to Program’s Objectives**

**Evaluation Criteria**

133 As indicated in the RFP and the project plan, the decision to proceed with the implementation plan for any option will be made by the Minnesota child support program. In order to facilitate this decision making process, CSED and Deloitte held an evaluation criteria meeting to allow CSED to inform Deloitte on the key program values that were the evaluation criteria considered when CSED makes the decision on which model to select. Table 24 defines these evaluation criteria.

Evaluation Criteria	Definition of Criteria
Consistency	State child support policies should be implemented in a consistent manner. The citizens of Minnesota should expect to receive the same level and type of services regardless of where they live or which entity is responsible for their case.
Cost Effectiveness	The Minnesota child support program should seek ways to be good stewards of the local, state, and federal funding of the program and also attempt to deliver child support services in the most cost effective manner possible.
Performance Driven	Clear performance measures need to be established that are used to determine the quality of services delivered to families.
Clear Delineation of Roles & Responsibilities	There needs to be a clear understanding of the roles and responsibilities of the various partners involved in the delivery of child support services. If partners are going to be held accountable for performance, they need to know what is expected of them and which resources they have at their disposal for assistance.
Accountability	Since the state is held accountable by federal law and regulation for overall statewide performance, it should be provided the authority and the tools required to set standards and have control in achieving the desired performance outcomes. An included criterion in this is the ability to take remedial actions with partners that are not meeting performance expectations.
Focus on Simplification & Streamlining	Efforts should be made to reduce the complexity from the child support service delivery model and processes that are performed within it. Duplication of efforts should be minimized and energies focused on high-value activities that lead to desired performance outcomes.

**Table 24: Option Evaluation Criteria**

134 The analysis of each service delivery option included the consideration of whether or not the option supported the evaluation criteria defined by CSED. CSED used these evaluation criteria in deciding which option to choose for the implementation planning phase of this project. In order to assist with this decision making process, we assessed each option based on whether or not it strengthens the program’s ability to achieve each evaluation criterion. Table 25 provides a summary of how the service delivery options align with the evaluation criteria defined by CSED. In evaluating each model’s alignment with the evaluation criteria, we have assessed the degree to which each model could potentially result in meeting the evaluation criteria. This assessment is based upon our knowledge of the Minnesota child support program gained through the Policy BPR Project as well as this study, and informed by the Industry Analysis and our professional judgment. Each option is assessed on whether or not its implementation would result in meeting the evaluation criteria as follows:

-  – Implementing this option would likely not result in meeting this evaluation criterion
-  – Implementing this option could possibly result in meeting this evaluation criteria
-  – Implementing this option would likely result in meeting this evaluation criteria

Evaluation Criteria	Service Delivery Option		
	Option 1: State Operated Regional Offices	Option 2: County Operated Regional Offices with Enhanced Governance	Option 3: County Operated with Enhanced Governance
Consistency			
Cost Effectiveness			
Performance Driven			
Clear Delineation of Roles & Responsibilities			
Accountability			
Focus on Simplification & Streamlining			

**Table 25: Alignment of Organizational Options to Evaluation Criteria**

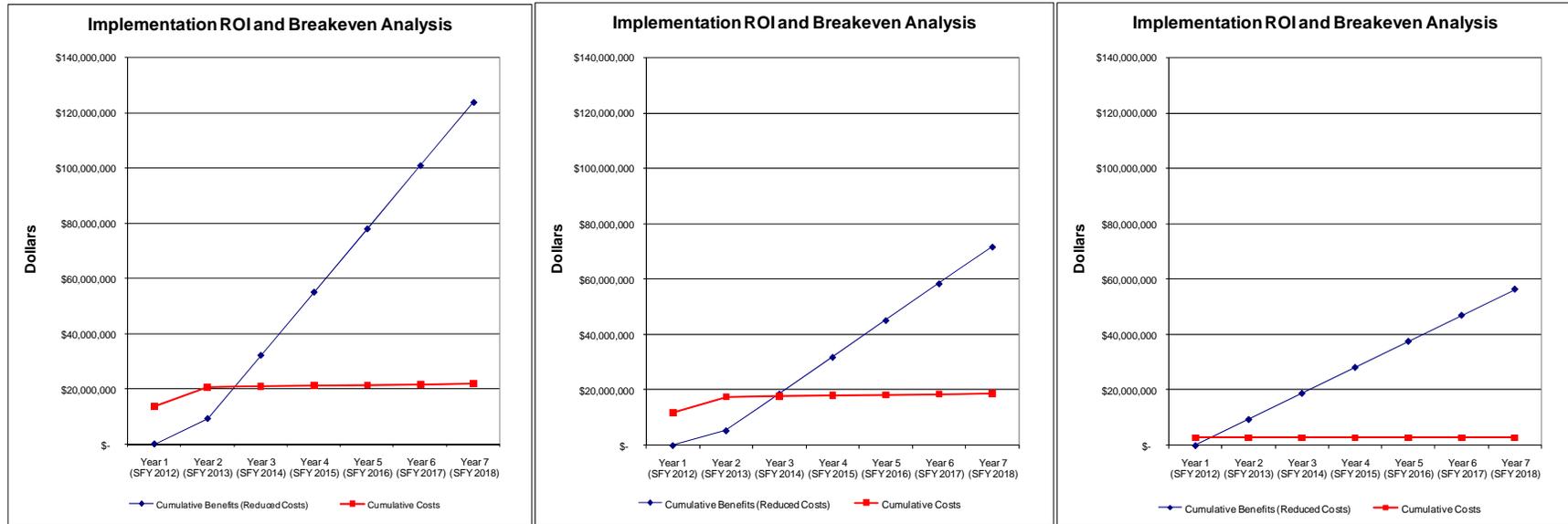
### Options Analysis Conclusion

- 135 As presented above, Option 1, State Operated Regional Offices, provides the strongest alignment with and support of the child support program’s strategic plan and most closely matches the evaluation criteria established by CSED. This option provides the greatest opportunity to increase the consistency of the delivery of child support services by creating a structure under which the resources of the program are able to be dedicated and focused upon the goals and objectives of the program. Under this model, the issues associated with the program’s declining cost effectiveness can be addressed by eliminating duplication of effort and maximizing the economies of scale gained by centralization or specialization of services.
- 136 As shown in Figure 19, Option 1 also provides the greatest long term return on investment by enabling the program to save the greatest cost over time.

**Option 1:  
State Operated Regional  
Offices**

**Option 2:  
County Operated Regional Offices  
with Enhanced Governance**

**Option 3:  
County Operated with  
Enhanced Governance**



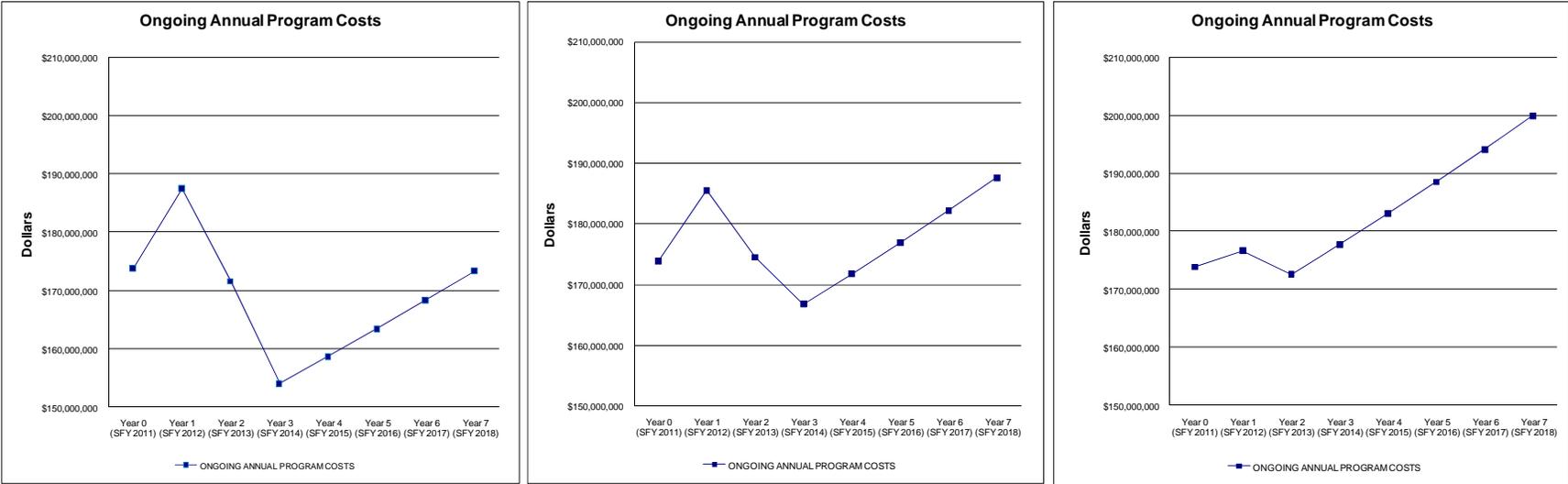
**Figure 19: Summary of ROI and Breakeven Analysis for Options**

137 Figure 20 provides a summary of the ongoing program costs under the three different options. Option 1 provided Minnesota with the best opportunity to control ongoing costs by eliminating the multiple independent cost centers which characterize the existing service delivery model.

**Option 1:  
State Operated Regional  
Offices**

**Option 2:  
County Operated Regional Offices  
with Enhanced Governance**

**Option 3:  
County Operated with  
Enhanced Governance**



**Figure 20: Summary of Ongoing Annual Program Costs for Options**

138 In summary, Option 1 presents the best alignment with the strategic goals and objectives of the program and supports all of the evaluation criteria established by CSED, particularly in the areas of consistency of service delivery, accountability, and the ability to implement effective performance management.

# Implementation Plan

139 Based on our analysis that Option 1, State Operated Regional Offices, best aligns with the strategic goals and objectives of the program and supports all of the evaluation criteria, CSED requested that we move forward with Option 1 for the Implementation Planning phase. Deloitte Consulting prepared an implementation plan of the tasks necessary to successfully implement the selected new service delivery model. *Deliverable #3: Implementation Plan* provides a description and proposed sequencing of these tasks. This deliverable relies heavily upon Deliverable #2, which assessed CSED's current service delivery model and how the existing service delivery model aligned with the program's strategic objectives. While Deliverable #3 is not intended to serve as a detailed work plan for the implementation of the new service delivery model, it does provide overall direction and will serve as the starting point for future planning should CSED elect to implement this option.

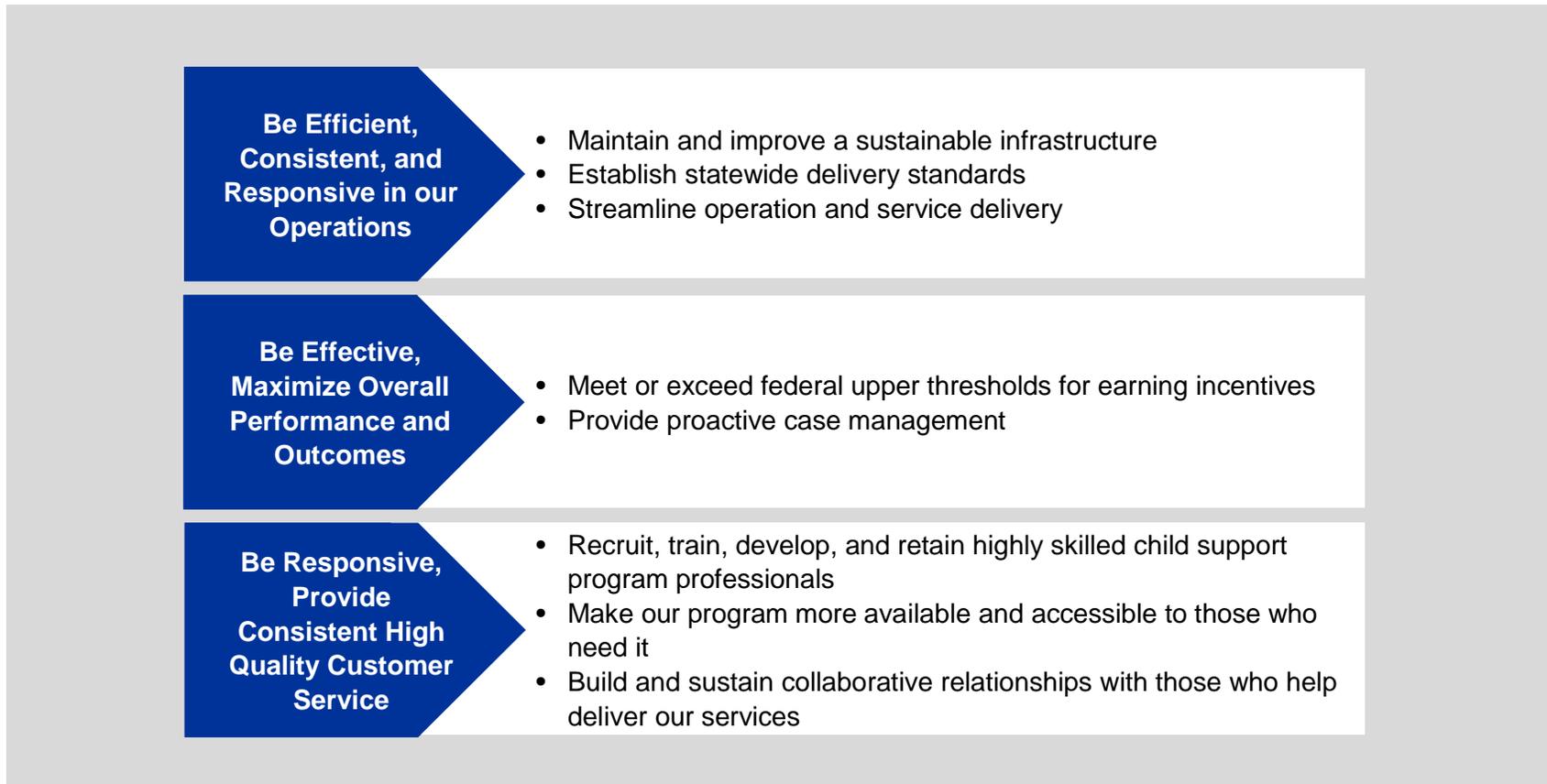
## Overview of Selected Option – State Operated Regional Offices

140 As part of the work accomplished in Deliverable #2 of the ASDM Project, we completed an analysis of different service delivery model options. This exercise included comparing each of the options against the goals and objectives of the child support program's Strategic Plan, the objectives of this study, and the evaluation criteria identified for the Options Analysis.

141 As stated in the Minnesota Child Support Program's 2008-2012 Strategic Plan, the program has three primary strategic goals for the program:

- Be Efficient, Consistent and Responsive
- Be Effective, Maximize Overall Performance and Outcomes
- Be Responsive, Provide Consistent High Quality Customer Service

142 These goals are further defined in Figure 21 along with the strategies that the program has identified as the manner in which the goals can be accomplished.



**Figure 21: Minnesota Child Support Strategic Goals and Strategies**

143 We evaluated each service delivery model option based on its ability to strengthen the program's ability to achieve these strategic goals.

144 In addition, we met with CSED to determine the key program values that would be used as the evaluation criteria by CSED when considering which model to select for the Implementation Planning phase of the project. Table 26 defines these evaluation criteria.

Evaluation Criteria	Definition of Criteria
Consistency	State child support policies should be implemented in a consistent manner. The citizens of Minnesota should expect to receive the same level and type of services regardless of where they live or which entity is responsible for their case.
Cost Effectiveness	The Minnesota child support program should seek ways to be good stewards of the local, state, and federal funding of the program and also attempt to deliver child support services in the most cost effective manner possible.
Performance Driven	Clear performance measures need to be established that are used to determine the quality of services delivered to families.
Clear Delineation of Roles & Responsibilities	There needs to be a clear understanding of the roles and responsibilities of the various partners involved in the delivery of child support services. If partners are going to be held accountable for performance, they need to know what is expected of them and which resources they have at their disposal for assistance.
Accountability	Since the state is held accountable by federal law and regulation for overall statewide performance, it should be provided the authority and the tools required to set standards and have control in achieving the desired performance outcomes. An included criterion in this is the ability to take remedial actions with partners that are not meeting performance expectations.
Focus on Simplification & Streamlining	Efforts should be made to reduce the complexity from the child support service delivery model and processes that are performed within it. Duplication of efforts should be minimized and energies focused on high-value activities that lead to desired performance outcomes.

**Table 26: Option Evaluation Criteria**

- 145 The analysis of each service delivery option included the consideration of whether or not the option strengthened the program’s ability to achieve each of these evaluation criteria.
- 146 From this analysis, the State Operated Regional Offices model was determined to best support the goals and objectives of the Minnesota child support program and satisfy the evaluation criteria set forth by CSED. This option, the most common service delivery model of child support programs nationally, has the potential to provide the State of Minnesota with the greatest degree of consistency, improvements in cost effectiveness, performance management, accountability, and clarity in roles and responsibilities, and streamlined service delivery.
- 147 This option transforms the Minnesota child support program from a county operated service delivery model to a state operated child support service delivery model. The new structure provides direct central control over all aspects of the program, permitting economies of scale and resource reallocation to improve efficiency, resulting in program savings. The state operated model places child support program leadership, management, planning, organizing, evaluating, and providing customer service under the direct control of the Minnesota Child Support Enforcement Division (CSED) from central office staff to field office staff. CSED would be the primary political entity controlling and delivering child support services for the State of Minnesota.
- 148 Throughout this phase of the ASDM project, information was gathered which further informed the costs, benefits, and timeframes of implementing this option. Updates to the Cost Benefit Analysis and Return on Investment calculations were made using the information gathered. Based on these updates, detailed further in the Overview of State Operated Regional Offices Option section of this deliverable, this option is estimated to require a total of \$20,864,629 in one-time resource and transition costs to be expended in Year 0 (SFY 2011), Year 1 (SFY 2012), and Year 2

(SFY 2013) during a 36 month implementation. In addition, an estimated \$228,800 in recurring costs is expected to begin in Year 1 and increase at 3% per year thereafter.

- 149 Total annual savings for this model are estimated at \$22,940,125. A portion of this benefit is estimated to be realized in Year 2 after partial implementation of this model. The full annual amount of this benefit is estimated to be realized in Year 3, after implementation has been completed. A portion of this savings is associated with a reduction of 166.1 county-level staff FTE, estimated at \$9,703,980. By transitioning legal services to the Attorney General's Office or to other legal services providers selected through competitive procurement, annual legal savings of \$6,145,460 are estimated.<sup>5</sup> A statewide genetic testing contract is estimated to save Minnesota CSE \$271,349 in genetic testing expenditures annually. By enforcing a maximum amount of overhead costs per case in the regional offices, an estimated \$6,819,337 would be saved in overhead expenditures.

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<sup>5</sup> The estimated savings in legal services is based upon legal services provided by the Attorney General's Office calculated at the average blended salary of an assistant attorney general. Procuring legal services through a competitive bidding process may result in more or less savings depending upon the cost of legal services procured through this process for the regional office.

150 The cumulative benefit of these cost savings is expected to surpass the cumulative costs (including both one-time costs and recurring costs) by the end of Year 2. The breakeven analysis and ongoing annual program costs are depicted in Figure 22.

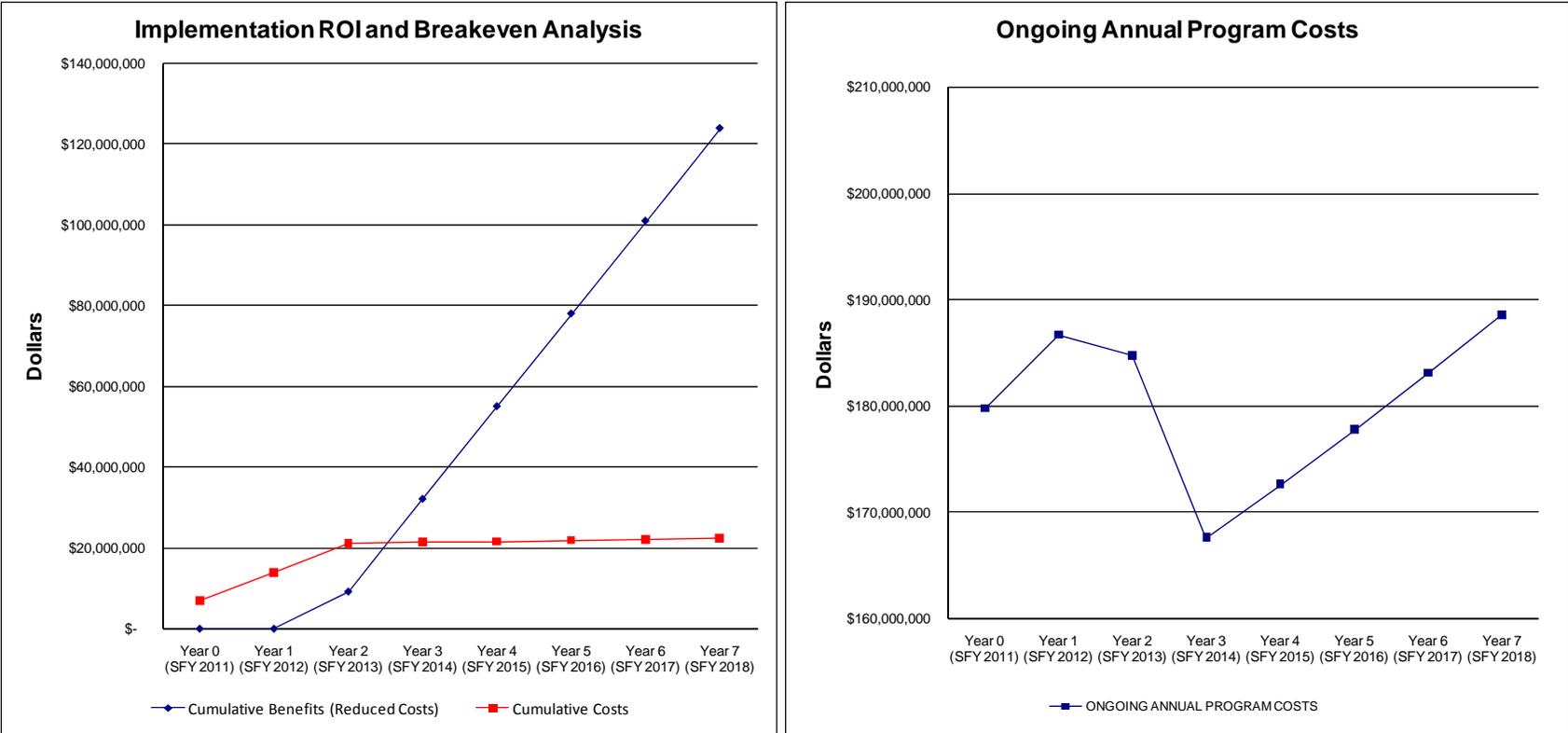


Figure 22: Summary Charts – Option 1: State Operated Regional Offices

### Updated Option Profile and Cost Benefit and ROI Analysis

151 During the initial preparation of the Option Profiles and Cost Benefit and ROI Analyses prepared for the *Existing Service Delivery Model Assessment (Deliverable #2)*, we estimated that implementing the State Operated Regional Offices option could occur in a timeframe of approximately 18 months. This 18 month timeframe included planning for and executing the implementation, but did not take into account certain foundational activities which would need to occur prior to the onset of any service delivery model transition, which we assumed would take place prior to the commencement of implementation in Year 0 (SFY 2011). As stated in our assumptions in Deliverable #2, “the estimated timeframes for implementation are based upon the assumption that necessary legislation to enact the enabling statutory changes and other pre-implementation activities occur prior to the commencement of the implementation timeframe.”

- 152 In the Implementation Planning phase of the ASDM Project, we evaluated these legislative and federal foundational activities, as well other implementation activities that we consider to be foundational activities and feel CSED can complete them prior to receiving formal legislative and federal approval. We have included these activities in the Foundation phase of the *Implementation Plan (Deliverable #3)*. These activities include:
- Securing necessary project support and leadership alignment
  - Identifying and obtaining necessary legislative changes to Minnesota statutes
  - Identifying and receiving approval from the Office of Child Support Enforcement (OCSE) on changes to the state plan
  - Conducting a To-Be Process Analysis
  - Conducting an Organizational Design Assessment
  - Conducting a Technology Assessment
- 153 While we have not changed our original estimate of 18 months for planning and executing the transition to a State Operated Regional Offices service delivery model, we have included these foundational activities that CSED should anticipate completing before moving ahead with the Planning and Execution phase deliverables. They are set forth in the Implementation Plan in a Foundation phase beginning in Year 0 (SFY 2011) and spanning approximately 18 months. We have adjusted the implementation timeline to include Year 0 (SFY2011). The costs of implementing the new service delivery model have been reallocated across the 36 month implementation timeframe for the transition to a State Operated Regional Offices service delivery model beginning in Year 0 (SFY 2011) and finishing in Year 2 (SFY 2013).
- 154 As part of Deloitte's Implementation Planning activities, we further researched and reassessed the resource time and cost estimates originally allocated for implementation of this option.
- 155 We project an increase in estimated one-time resource and transition costs of \$628,828 as a result of the additional activities and the reallocation of originally estimated resources. Figure 23 and Figure 24 illustrate where these changes occur. The updated Option Profile and Cost Benefit and ROI Analysis are included below.

Resource Costs - One-Time										Source
Estimated Hours										
	Project Planning & Management	Change Management Communication Team	Organizational Design & Workforce Transition Team	Facilities & Infrastructure Team	Technology Team	Process Team	Total Estimated Hours	Rate / Hour	Total Cost	
State Office Staff	11,520	5,760	3,840	8,800	8,640	5,440	44,000	\$38.37	\$1,688,185	Estimate based on Deloitte experience with similar projects. Assumes 18 month implementation.
Current County Staff	2,880	4,800	3,520	6,400	2,880	4,960	25,440	\$28.09	\$714,535	Estimate based on Deloitte experience with similar projects. Assumes 18 month implementation.
Vendor	5,760	9,600	6,400	11,360	5,760	8,320	47,200	\$175.00	\$8,260,000	Estimate based on Deloitte experience with similar projects. Assumes 18 month implementation.
<b>Total One-Time Resource Costs</b>									<b>\$10,662,720</b>	

Figure 23: Option 1 Original Resource Time and Cost Estimates

Resource Costs - One-Time										Source
Estimated Hours										
	Project Planning & Management	Change Management Communication Team	Organizational Design & Workforce Transition Team	Facilities & Infrastructure Team	Technology Team	Process Team	Total Estimated Hours	Rate / Hour	Total Cost	
State Office Staff	12,480	8,640	14,080	2,560	9,920	7,680	55,360	\$38.37	\$2,124,044	Estimate based on Deloitte experience with similar projects. Assumes 18 months for Foundation activities, 3-6 months for Planning activities, and 12-15 months for Execution activities.
Current County Staff	4,520	5,760	3,200	0	960	1,920	16,360	\$28.09	\$459,504	Estimate based on Deloitte experience with similar projects. Assumes 18 months for Foundation activities, 3-6 months for Planning activities, and 12-15 months for Execution activities.
Vendor	6,560	6,400	9,600	2,560	14,400	10,240	49,760	\$175.00	\$8,708,000	Estimate based on Deloitte experience with similar projects. Assumes 18 months for Foundation activities, 3-6 months for Planning activities, and 12-15 months for Execution activities.
<b>Total One-Time Resource Costs</b>									<b>\$11,291,548</b>	

Figure 24: Option 1 Revised Resource Time and Cost Estimates

156 As in the *Existing Service Delivery Model Assessment (Deliverable #2)*, we estimated the hours within the Resource Cost component of the CBA based on our experience with other organizational change projects. The number of hours required by the various staff roles to implement this option could vary depending on the detailed implementation plan developed and on how CSED chooses to implement this plan. Should CSED move forward with the implementation of the State Operated Regional Offices service delivery model, it could decide to allocate hours in a different manner, which would subsequently impact the Resource Cost component of the CBA.

Option Profile

Option ID	#1
Option Name	State Operated Regional Offices
Option Description	<p>This option represents the transformation of the Minnesota child support program from a county operated service delivery model to a state operated service delivery model with regional child support offices throughout the state. The new structure provides direct central control over all aspects of the program, permitting economies of scale and resource reallocation to improve efficiency, resulting in program savings. County employees would be converted to state employees. While there would no longer be a need for cooperative agreements between the counties and CSED, there would still be cooperative agreements between the state program and sheriffs and the courts. Legal services would be delivered by either departmental attorneys designated as Assistant Attorneys General, contracted county attorneys, or contracted private firms. This model would support any of these arrangements for the provision of legal services.</p> <p>It is proposed that the regional offices would be established in alignment with the ten judicial districts in Minnesota. Under this model, two current county offices, Hennepin and Ramsey, would remain as single county regional offices as their counties encompass a single judicial district. Accordingly, the remaining 82 county offices would be combined and consolidated into 8 regional offices. The size of the regional offices, in terms of caseload ranges from 7,318 cases to 56,418 based upon SFY 2008 caseload. Aligning the regional office structure with the judicial districts would encourage the development of positive working relationships with the judiciary and associated staff within the judicial districts. Additionally, as the judiciary continues to develop its automated case management system, alignment with the judicial districts may offer opportunities to collaborate in the court's initiatives to the benefit of the child support program.</p> <p>Deloitte analyzed several different regional structures as part of this assessment, including regional models currently being used in Minnesota by the Minnesota Association of County Social Services Administrators, the Adult Mental Health Initiatives, the Children's Mental Health and Family Collaboratives, and the Regional Development Commissions established in Minn. Stat. §462.385, among others. Based on factors such as caseload and population distribution and regional variances in those distributions, as well as the ability of the program to access and partner with the judiciary most easily, Deloitte has proposed establishing the regional offices in alignment with the judicial districts. However, based on its own analysis of various considerations, such as population, caseload, access to services and technology, and access to an available workforce, CSED may choose to structure its regional offices in a different manner.</p> <p>We recognize that there may be some concern that going to ten regional offices compared to the current county structure could lead to a reduction in customer service as some clients will not have easy access to face-to-face interactions with a caseworker. Much of this concern can be offset by increased use of technology and alternative communication channels including the internet, telephone, and email. In fact, it can be argued that there are a significant number of participants that actually prefer remote interactions with a caseworker and will find the new arrangement more flexible than the current county arrangement that might require them to come into the office for a routine interaction. However, CSED may choose to further offset this concern by establishing satellite offices in some regions to allow customers a point of contact without extensive travel. While Deloitte does not feel that establishing satellite offices is necessary to implement this option, it should be noted that should CSED choose to pursue this approach, additional implementation and transition costs will likely be incurred.</p> <p>This model provides opportunities to centralize or specialize some functions or services now performed in the individual counties either in a particular regional office or offices or at a statewide service center. Chartered workgroups would identify those functions or services which could be centralized or specialized to improve customer service, to leverage economies of scale, or to provide supporting functions or services.</p> <p>The state operated model places child support program leadership, management, planning, organizing, evaluating, and providing customer services under the direct control of CSED from central office staff to field office staff. CSED would be the only entity controlling and delivering child support services for the State</p>

of Minnesota. This control by itself would not be enough to make a significant difference in the strategic objectives of increasing program performance, effectiveness, customer service, and overall cost effectiveness. There must be strong leadership combined with well communicated vision, mission, and goals. Responsibility with accountability must be incorporated throughout the structure commensurate with the authority to make decisions at the lowest level within the organization. The results should be a self-empowered organization built with a high trust factor that is flexible, adaptable, lean and highly productive.

As discussed in the *Existing Service Delivery Model Assessment (Deliverable #2)*, Minnesota's child support program has one of the lowest caseload to caseworker ratios in the nation. To provide services in a more efficient manner, there would be planned reductions in the overall FTE count in this option. With attrition, transfer and voluntary separation, the reduction could require few terminations of existing staff. The staffing model also assumes that the majority of county staff would want to transition to state employment, retaining for the program their cumulative experience and expertise. Retaining current caseworkers would greatly aid the continuity in customer service.

The cost savings realized under this model are achieved by reducing or controlling costs through:

- The establishment of staffing standards for the regional offices in which a caseload to FTE minimum and maximum standard is defined for the regional offices. This staffing standard would be based upon defined benchmarks and would be set at a level to ensure that the current statewide performance standards are not diminished while still reducing overall program costs and, thereby, improving overall program cost effectiveness. These staffing standards would result in a reduction of staff at the county and state level to achieve the statewide standard.
- Management and control over indirect costs by eliminating county indirect cost centers and reducing overall indirect cost rates.
- Management and control over legal costs by obtaining legal services from attorneys under the direct employment and control of the state office either through the Attorney General's Office or from private firms or county attorneys through a competitive bid process.
- Eliminating incentive payments to the counties.

#### **Organizational Structure**

This model would require that regional offices be established in a centrally located community within that region. In some instances, an existing state or county office may have sufficient space which the state could lease. In other instances, new regional office space would need to be leased. A reallocation of the state office would be necessary to support and supervise the ten regional offices. The state office would develop a Field Operations unit to provide this support and supervision. The Field Operations unit is projected to have a manager with oversight responsibilities for all field operational activities. This new position would oversee, supervise, and manage the ten regional managers out in the field. Each of the ten regional offices would have a regional manager that is supported by supervisors, caseworkers, and clerical staff. Each regional manager would report to the field operations manager in the central office. The regional manager would be responsible for the delivery of child support services to the customer(s), managing stakeholder relationships, and contracted services.

Through the state operated service delivery model, the customer should receive improved services directly from state employees due to consistencies in service delivery by having a central office devoted to providing services to ten regional offices. Legal services for establishing and enforcing support orders would be under the direction of the regional managers and have access to the resources of a chief attorney in the central office.

With a state operated service delivery model, performance monitoring at the regional office, managerial, and staffing levels across the state would enable more effective monitoring and evaluation of the services provided in order to drive additional efficiencies. Management reporting would be made available on-line to staff, but an Evaluation Unit would assist in monitoring performance and provide on-going technical assistance and training to regional staff to assist them in improving their performance and uniformity of operations and application in accordance with state CSE policy. The performance management system to be established would require staff and management to meet performance standards and, in the instance of substandard performance, to develop corrective

	action plans in conjunction with CSED Central Office.	
<b>Predecessors / Successors</b>	<p>The <u>predecessors</u> for this option include:</p> <ul style="list-style-type: none"> <li>• Secure a Project Sponsor and Political Champion</li> <li>• Develop a detailed Implementation Plan</li> <li>• Propose and enact legislation to place the delivery of all child support program services under the authority of the Department of Human Services</li> <li>• Secure funding for the portion of program costs funded by counties under the current service delivery model to the extent necessary</li> </ul> <p>The <u>successors</u> for this option include:</p> <ul style="list-style-type: none"> <li>• Evaluate / monitor the results of the implementation</li> </ul>	
<b>Duration / Timing</b>	<p>The estimated duration to implement the State Operated Regional Offices option is 36 months. This includes an 18 month period of foundational activities that should be completed prior to planning and executing the transition.</p> <p>After the foundation activities have been completed, it is estimated that the planning and execution of the transition could take place in 18 months. The initial three to six months would be devoted to planning for the conversion to the State Operated Regional Office structure, and identifying the sequence of the conversion to regional offices. During the remaining 12 to 15 months, the caseloads of existing county offices would be transferred to the regional offices according to the sequence of conversion established during the planning phase. Concurrently with the transfer of caseloads to the regional offices, processes and organizational structure for the regional offices would be developed.</p>	
<b>Transitional Impacts</b>	<b>Customer</b>	Some customers will be impacted by having to travel farther for face-to-face contact with a child support worker; however, that impact can be mitigated by the use of toll-free telephone numbers or enhanced self service options.
	<b>Staff</b>	This model would have significant impact on the county staff currently delivering services as their jobs as county employees would no longer exist. Many of these employees would be recruited and transferred into the regional offices; however, relocation to the site of the regional office would not be an option for all county employees. As a result, an effective human resources component of the Implementation Plan is a critical success factor.
	<b>System</b>	The creation of regional offices would likely require changes in PRISM as cases are reassigned from individual county workers to regional office case owners. Additionally, as the regional offices develop alternative workflows or organizational structures, changes may be required in PRISM to support those alternatives. In addition, changes in PRISM may be required to support specialized or centralized functions or services.
<b>Staffing Changes</b>	In order to retain the cumulative experience and knowledge of the existing county staff, it is expected that county staff would be given the opportunity to transfer from county employment to state employment. This change would include resolving the inherent issues associated with possible different levels of salaries, benefits, and retirement programs. In addition, as noted above, there would be staffing changes at the state office to create the structure needed to manage, monitor, and supervise the regional offices and provide legal services to those regional offices.	
<b>Communication Plan Needs</b>	A thorough Change Management Communication Plan would be a critical component of the implementation of this option. As this model is implemented, a Change Management Communication Plan would be needed for counties, customers and stakeholders of the program to inform them of the change, the implementation of the new model, and inform them of the reasons and rationale supporting the new model. The Change Management Communication Plan is	

	<p>critical in regard to counties and state staff since there would be a fundamental change in internal office policy, processes, and procedures as well as staffing reallocations and reductions in order to achieve optimum efficiency and cost effectiveness.</p> <p>An effective Change Management Communication Plan must address:</p> <ul style="list-style-type: none"> <li>• Staff concerns of both county and state employees</li> <li>• Customer concerns</li> <li>• Other stakeholder concerns</li> </ul>	
<p><b>Barriers to Implementation</b></p>	<p>The barriers to implementation include:</p> <ul style="list-style-type: none"> <li>• Resistance to the legislative changes necessary to implement a state operated program</li> <li>• Resistance by county government leadership to the loss of local county child support offices due to the creation of regional units and the resultant loss of county jobs in that locality</li> <li>• Complaints from customers over the potential loss of local access to their caseworkers</li> <li>• Inability to secure funding for the portion of program costs funded by counties under the current service delivery model to the extent necessary</li> <li>• Inability to secure a project sponsor or political champion capable of successfully promoting the legislative changes necessary to support the model</li> <li>• County employees resistance to change and acceptance of CSED control</li> </ul>	
<p><b>Statutory Changes</b></p>	<p>Statutory changes are needed to clearly enact the fundamental change from a county operated / state supervised program to one which is fully state operated. Statutory changes would also be required to clarify and buttress the authority of CSED to seek and obtain legal services from any qualified entity including the Attorney General, county attorneys or private firms or individuals either under the direct employment of the state or selected through competitive procurement.</p>	
<p><b>Existing Labor Agreements</b></p>	<p>The creation of ten state operated regional offices and the elimination of 84 local county offices would impact existing labor agreements currently in place in the county offices. As part of the implementation planning, the labor agreements in the offices which would be transferred into the regional offices would have to be examined to determine whether there are specific provisions of the labor agreements such as severance terms which would need to be considered or addressed during the transition to the regional offices.</p>	
<p><b>Necessary Infrastructure Changes</b></p>	<p>Reducing 84 county operations into ten state operated regional offices and service sites would require careful and detailed study of the logistics involved in implementing this state operated service delivery model. CSED central office organization would be impacted as well with this change. The correct central office infrastructure must be in place to support the ten regions early in the transition to state operated services.</p>	
<p><b>Option Risk</b></p>	<p><b>Project Complexity</b></p>	<p>High – The option is complex due to the development and enactment of the legislation necessary to create the regional units. The 18 month transition plan would require close coordination of multiple activities occurring simultaneously.</p>
	<p><b>Risk for NCP / CP</b></p>	<p>Moderate – The transition from 84 county offices to 10 regional offices would impact customers as they would no longer have local, face-to-face contact with their caseworkers. However, as the majority of customer contact occurs via telephone, this risk can be minimized through a comprehensive customer Change Management Communication Plan and the use of toll free telephone numbers for the regional offices. There is a risk of a degradation of services during the transition to the regional office structure.</p>

	<b>Risk for Partners</b>	Low – The risk for partners and other agencies is low as any loss of local contact with county offices would be counter balanced by reducing the number of county contacts necessary under the current environment. In fact, relationships with some partners may improve through greater uniformity in the delivery of services statewide.
	<b>Risk for Counties</b>	High – The risk for counties is high as this model requires an end to the county role in the delivery of child support services. The risks are primarily associated with the loss of county jobs, the loss of the IV-D funding stream to support the county infrastructure through indirect cost allocation, and a separation of the child support program from other county social services programs at the county level.
	<b>Risk for CSED</b>	High – The state office would need to provide oversight and support for the regional units and develop a performance management system to monitor and measure the performance of the regional units. Additionally, the state office would need to provide mechanisms to monitor the quality of the services delivered at the regional units. The risk of substandard performance by the regional units is a loss of federal incentives and negative political ramifications if the transition is viewed as unsuccessful.
	<b>Overall</b>	High – This option could likely face significant opposition from counties who perceive the model as taking away local jobs and local control of the program. The transition process would be complex and require the coordinated management of many different aspects of the transition simultaneously. The success of the transition and successful operation of the ten regional units is dependent upon the commitment and close cooperation of the counties and the state office to successfully accomplish and implement this option.
<b>Cost / Benefit Summary</b>		
<b>Costs</b>	<b>Staff Resources</b>	55,360 state office hours; 16,360 county office hours; 49,760 vendor hours
	<b>One-time Costs</b>	Staff resources costs - \$11,291,548; transition costs - \$9,573,081
	<b>Recurring Costs</b>	\$228,880 (with a 3% annual increase)
<b>Benefits</b>	<b>Annual Benefits</b>	Estimated annual cost savings - \$22,940,125
<b>Assumptions and Notes</b>		
<p>Assumptions:</p> <ul style="list-style-type: none"> <li>• There is a project sponsor that is empowered and has the decision making authority</li> <li>• There is a political champion to handle the political issues with the county governmental agencies and the Minnesota Legislators</li> <li>• The funding is present to perform the implementation according to plan</li> <li>• PRISM changes would be completed on time for implementation</li> <li>• Staff changing from county to state employees can be done and union issues are resolved</li> </ul>		

**Table 27: Option Profile – Option 1: State Operated Regional Offices**

CBA Summary and ROI

<b>Option ID</b>	<b>1</b>	
<b>Option Name</b>	<b>State Operated Regional Offices</b>	
<b>Benefit Factors</b>	Reduction in Current County Office Staff	
	Reduction in Legal Costs	
	Reduction in Genetic Testing Costs	
	Reduction in Overhead Costs	
<b>Overall Benefit Calculation</b>		
	<b>Description</b>	
	Annual Savings due to Reduction in Staff	\$ 9,703,980
	Annual Savings due to Reduced Legal Costs	\$ 6,145,460
	Annual Savings due to Reduced Services Costs	\$ 271,349
	Annual Savings due to Reduced Overhead Costs	\$ 6,819,337
	<b>YEARLY BENEFITS (REDUCED COSTS)</b>	<b>\$ 22,940,125</b>
<b>Cost Factors</b>	Estimated One-Time Resource Costs	
	Estimated One-Time Logistics Costs	
	Estimated Recurring Transportation Costs	
<b>One-time Costs</b>		
	Estimated One-Time Resource Costs	\$ 11,291,548
	Estimated One-Time Transition Costs	\$ 9,573,081
	<b>TOTAL ONE-TIME COSTS</b>	<b>\$ 20,864,629</b>
<b>Recurring Costs</b>		
	Estimated Recurring Transportation Costs	\$ 228,800
	<b>TOTAL RECURRING COSTS</b>	<b>\$ 228,800</b>

<b>Cost / Benefit Summary</b>								
	Year 0 (SFY 2011)	Year 1 (SFY 2012)	Year 2 (SFY 2013)	Year 3 (SFY 2014)	Year 4 (SFY 2015)	Year 5 (SFY 2016)	Year 6 (SFY 2017)	Year 7 (SFY 2018)
Benefits (Reduced Costs)	\$ -	\$ -	\$ 9,203,185	\$ 22,940,125	\$ 22,940,125	\$ 22,940,125	\$ 22,940,125	\$ 22,940,125
One-Time Costs	\$ 6,954,876	\$ 6,954,876	\$ 6,954,876	\$ -	\$ -	\$ -	\$ -	\$ -
Recurring Costs	\$ -	\$ -	\$ 235,664	\$ 242,734	\$ 250,016	\$ 257,516	\$ 265,242	\$ 273,199
<b>NET BENEFIT (COST)</b>	<b>\$ (6,954,876)</b>	<b>\$ (6,954,876)</b>	<b>\$ 2,012,645</b>	<b>\$ 22,697,391</b>	<b>\$ 22,690,109</b>	<b>\$ 22,682,609</b>	<b>\$ 22,674,883</b>	<b>\$ 22,666,926</b>
Return on One-time Investment				163%	163%	163%	163%	163%
	Year 0 (SFY 2011)	Year 1 (SFY 2012)	Year 2 (SFY 2013)	Year 3 (SFY 2014)	Year 4 (SFY 2015)	Year 5 (SFY 2016)	Year 6 (SFY 2017)	Year 7 (SFY 2018)
Cumulative Benefits (Reduced Costs)	\$ -	\$ -	\$ 9,203,185	\$ 32,143,310	\$ 55,083,436	\$ 78,023,561	\$ 100,963,687	\$ 123,903,812
Cumulative Costs	\$ 6,954,876	\$ 13,909,753	\$ 21,100,293	\$ 21,343,027	\$ 21,593,043	\$ 21,850,560	\$ 22,115,801	\$ 22,389,001
<b>CUMULATIVE NET BENEFIT (COST)</b>	<b>\$ (6,954,876)</b>	<b>\$ (13,909,753)</b>	<b>\$ (11,897,108)</b>	<b>\$ 10,800,283</b>	<b>\$ 33,490,393</b>	<b>\$ 56,173,002</b>	<b>\$ 78,847,885</b>	<b>\$ 101,514,811</b>
Cumulative Return on Investment	-100%	-100%	-56%	51%	155%	257%	357%	453%
	Year 0 (SFY 2011)	Year 1 (SFY 2012)	Year 2 (SFY 2013)	Year 3 (SFY 2014)	Year 4 (SFY 2015)	Year 5 (SFY 2016)	Year 6 (SFY 2017)	Year 7 (SFY 2018)
Baseline Annual Program Costs	\$172,826,003	\$179,780,879	\$186,735,756	\$184,723,111	\$167,567,413	\$172,594,435	\$177,772,269	\$183,105,437
Annual Net Benefit (Cost)	\$ (6,954,876)	\$ (6,954,876)	\$ 2,012,645	\$ 22,697,391	\$ -	\$ -	\$ -	\$ -
Overall Program Cost Growth (3% of Prior Year)	\$ -	\$ -	\$ -	\$ 5,541,693	\$ 5,027,022	\$ 5,177,833	\$ 5,333,168	\$ 5,493,163
<b>ONGOING ANNUAL PROGRAM COSTS</b>	<b>\$179,780,879</b>	<b>\$186,735,756</b>	<b>\$184,723,111</b>	<b>\$167,567,413</b>	<b>\$172,594,435</b>	<b>\$177,772,269</b>	<b>\$183,105,437</b>	<b>\$188,598,600</b>

Assumptions		
1. Benefits will begin to be realized in Year 2 per the following schedule: Year 2 = 40% of staff reduction, legal, and overhead benefits, 50% of services benefit, Year 3 - 7 = 100% of estimated benefits.		
2. One-time implementation costs will be expended 1/3 in Year 0, 1/3 in Year 1, and 1/3 in Year 2 based on a 36 month implementation.		
3. Recurring costs will start in Year 2 and are assumed to increase 3% per year.		
4. Assumes implementation begins in SFY 2011 (Year 0). Program Costs for SFY 2011 are projected at an annual growth of 3% each year from SFY 2008 level of \$159,075,417 (from 2008 Annual Performance Report (\$122,368,581 in county expenditures, \$36,550,243 in state expenditures plus \$156,593 in FPLS Fees not initially included in state expenditures.) Based on this formula, Baseline Annual Program Costs in Year 0 = \$172,826,003.		
5. Assumes overall program cost growth of 3% annually after Year 3.		
6. Rate per hour for State Office staff	\$38.37	Total annual personnel salary and benefits for the State Office is \$15,703,518 per meetings with CSED and SFY 2008 salary data. Weighted between the four designations of State employees (management, PRISM, operations, and policy) and using 2080 hours as the annual hours worked, the hourly wage for State Office personnel is \$38.37.)
7. Rate per hour for county staff	\$28.09	Total annual personnel salary and benefits for the counties is \$70,110,551 per the Net County Administrative Costs & Reinvestment Summary report for SFY 2008 and per conversations with Hennepin County financial staff (\$4,247,609 of reported Salaries & Direct Benefits are indirect costs associated with personnel. These indirect costs were subtracted from Salaries & Direct Benefits before calculating rate per hour.) This translates to average annual salary and benefits for county child support personnel of \$58,421.05. Using 2080 hours as the annual hours worked, the average hourly wage for county child support personnel is \$28.09. This rate per hour is different from that used in the BPR Policy Project (\$29.79) because Hennepin County's indirect costs reported in their Salaries & Direct Benefits line were not separated out as indirect costs in the BPR Policy Project as they have been here. (This count excludes cooperative agreement personnel, but includes clerical, child support officers, child support aides, administrators, managers, supervisors, etc.)
8. Vendor blended rate	\$175.00	
9. Estimates are based on 2080 hours per year.		

Benefit – Staff Savings

Staff Calculations			Source
A	Leading State Administered States Caseload / FTE Ratio	249.3	This ratio was calculated by taking the average caseload / FTE ratio for the top 12 nationally ranked states operating under a state supervised / state operated model (South Dakota, North Dakota, Montana, Iowa, New Hampshire, Utah, West Virginia, Vermont, Texas, Washington, Georgia, and Alaska.) These 12 states were selected because they are the 12 state supervised / state operated states that currently rank above Minnesota in overall national child support ranking.
B	Minnesota's FFY 2008 Total Caseload	247,950	Data obtained from the draft 2009 Annual Performance Report provided by CSED.
C	Percent of Minnesota's FFY 2008 Caseload that is Never-Assistance	33.4%	Data obtained from the draft 2009 Annual Performance Report provided by CSED.
D	Percent Child Support Cases that are Never-Assistance in Top 12 State Administered States	45.9%	Data obtained from OCSE compilation of state-reported 157 data in their FY 2008 Preliminary Report and the draft 2009 Annual Performance Report provided by CSED.
E	Number of Never-Assistance cases Minnesota would need to add to caseload to reach percent of Never-Assistance cases in Top 12 State Administered States	57,406	This represents the number of Never-Assistance cases added to Minnesota's caseload to "normalize" Minnesota for comparisons to other states. As Never-Assistance cases typically require less investment of caseworker time, it could be argued that Minnesota has a more difficult caseload than other states. To accurately compare Caseload / FTE ratios with other states, Minnesota's caseload was "normalized" to create a hypothetical caseload upon which to calculate a Caseload / FTE ratio that would correspond with the comparison states. These are the Never-Assistance cases that would be added to Minnesota's caseload to create this hypothetical caseload.
F	Normalized Minnesota Caseload ( B + E )	305,356	Adjusting Minnesota's caseload by 57,406 Never-Assistance cases raises the percent of Never-Assistance cases in Minnesota's caseload to 45.9%, equal to that of the Top 12 State Administered States. Making this adjustment before applying the Leading State Administered States Caseload / FTE Ratio allows for a more accurate comparison of caseload composition.
G	Number of FTE based on Caseload / FTE Ratio ( F / A )	1,225.0	
H	Minnesota's Total SFY 2008 FTEs	1,391.1	Data obtained from the 2008 Annual Performance Report (1,200.1 County Child Support Workers, 191.0 State Office employees).
I	Total FTEs that can be reduced ( H - G )	166.1	In this scenario, Deloitte makes the assumption that all of the FTE reductions will occur at the current county staff level, resulting in 1,034.0 county-level FTE and 191.0 State office FTE for a total of 1,225.0 FTE. This represents an 11.9% FTE reduction.
J	Total Staff hours that can be saved by reducing FTEs ( I * 2080 )	345,496	CSED estimates 2080 hours per year as the total number of hours a caseworker works in a year.
K	Current County Staff rate per hour	\$28.09	Total annual personnel salary and benefits for the counties is \$70,110,551 per the Net County Administrative Costs & Reinvestment Summary report for SFY 2008 and per conversations with Hennepin County financial staff (\$4,247,609 of reported Salaries & Direct Benefits are indirect costs associated with personnel. These indirect costs were subtracted from Salaries & Direct Benefits before calculating rate per hour.) This translates to average annual salary and benefits for county child support personnel of \$58,421.05. Using 2080 hours as the annual hours worked, the average hourly wage for county child support personnel is \$28.09. This rate per hour is different from that used in the BPR Policy Project (\$29.79) because Hennepin County's indirect costs reported in their Salaries & Direct Benefits line were not separated out as indirect costs in the BPR Policy Project as they have been here. (This count excludes cooperative agreement personnel, but includes clerical, child support officers, child support aides, administrators, managers, supervisors, etc.)
L	Current County Staff reduction cost savings ( J * K )	\$9,703,980	
<b>Annual Savings Due to Reduction in Staff</b>		<b>\$9,703,980</b>	

Benefit – Reduced Legal Costs

Reduced Legal Costs		Source	
A	Total SFY 2008 County Legal Costs	\$11,787,717	Data obtained from the Legal Cooperative Agreement line item in the Net County Administrative Costs & Reinvestment Summary for SFY 2008.
B	Number of County Attorney Hours Billed in Counties with Hourly Rates	39,310	Based on Cooperative Agreement Tracking data obtained from CSED, 70 counties recorded both hourly rates for county attorneys and legal expenditures in SFY 2008. Based on the hourly rates provided in the Cooperative Agreement Tracking data and on each county's legal expenditures, 39,310 hours of county attorney time was spent on child support in these 70 counties (Legal Expenditures / Hourly Rate).
C	Caseload of Counties with Hourly County Attorney Rates	127,769	The 70 counties that have hourly rates for county attorneys account for 127,769 of Minnesota's total cases in SFY 2008. Caseload data obtained from the 2008 Annual Performance Report.
D	County Attorney Hours / Case for Counties with Hourly County Attorney Rates ( B / C )	0.31	This represents the calculated amount of county attorney time spent per case in counties that have hourly rates for county attorneys.
E	Minnesota's Statewide Total SFY 2008 Caseload	250,351	Data obtained from the 2008 Annual Performance Report.
F	Estimated Statewide Number of County Attorney Hours Spent on Child Support Activities per year ( D * E )	77,023	By applying the County Attorney Hours / Case ratio obtained from Deloitte's analysis of the 70 counties with hourly county attorney rates to Minnesota's total caseload, we estimate that 77,023 county attorney hours are spent statewide on child support activities per year.
G	Estimated Number of Attorneys Needed Statewide for Child Support Activities per year ( F / (2080 hrs/year * 80%) )	46.3	Based on assigning Assistant Attorneys General to child support on a fulltime basis, Deloitte estimates that 46.3 attorneys would be necessary to complete child support activities annually. An FTE is based on 2080 hours per year, allowing for 20% of time for overhead activities such as training, vacation, and sick time.
H	Average Loaded Salary for an Assistant Attorney General	\$81,545	Average loaded salary based on State of Minnesota Salary Plan as of January 1, 2009 for job titles Attorney 1, Attorney 2, and Attorney 3, which came to \$65,236 per year, plus fringe of 25% as per CSED guidance.
I	Estimated number of Legal Support Staff Needed Statewide for Child Support Activities per year ( G / 3 )	15.4	Deloitte estimates that there will be 1 Legal Support Staff for every 3 Assistant Attorneys General assigned to child support activities based on prior experience with child support legal proceedings and activities.
J	Average Loaded Salary for Legal Support Staff	\$56,607	Average loaded salary based on State of Minnesota Salary Plan as of January 1, 2009 for job titles Legal Analyst, Legal Secretary, and Legal Secretary Senior, which came to \$45,285 per year, plus fringe of 25% as per CSED guidance.
K	Estimated number of Attorney Supervisors Needed Statewide for Child Support Activities per year	10.0	Deloitte estimates that there will be 1 Attorney Supervisor for each of the 10 regional offices.
L	Average Loaded Salary for Attorney Supervisors	\$99,428	Average loaded salary based on State of Minnesota Salary Plan as of January 1, 2009 for job title Attorney 4, which came to \$79,453 per year, plus fringe of 25% as per CSED guidance.
M	Estimated Assistant Attorney General Costs ( G * H )	\$3,774,571	
N	Estimated Legal Support Staff Costs ( I * J )	\$873,405	
O	Estimated Attorney Supervisor Costs ( K * L )	\$994,281	
P	Total Estimated Legal Costs ( M + N + O )	\$5,642,257	
Q	Reduced Legal Costs ( A - P )	\$6,145,460	
<b>Annual Savings from Legal Costs</b>		<b>\$6,145,460</b>	

Benefit – Reduced Services Costs

Reduced Services Costs		Source	
A	Total Annual Genetic Testing Costs	\$769,949	Data obtained from Paternity Expenditure line item in the Net County Administrative Costs & Reinvestment Summary for SFY 2008.
B	Total Number of Genetic Testing Draws Performed in SFY 2008	16,620	Based on Genetic Test Detail report run through PRISM for SFY 2008, 5,540 genetic tests were completed in SFY 2008. Each genetic test includes 3 draws, child, custodial parent, and non-custodial parent.
C	Average Cost per Genetic Testing Draw (A/B)	\$46	
D	Estimated Cost per Genetic Testing Draw Obtained Through Statewide Contract	\$30	Based upon recent bids in Pennsylvania and Tennessee after changing to statewide genetic testing contracts.
E	Estimated Annual Genetic Testing Costs Based on Statewide Contract (A * D)	\$498,600	
F	Total Annual Reduction in Genetic Testing Costs (A - E)	\$271,349	
	<b>Annual Cost Savings due to Reduced Services Costs</b>	<b>\$271,349</b>	

Benefit – Reduced Overhead Costs

Reduced Overhead Costs		Source	
A	Total Overhead Costs in SFY 2008	\$39,615,318	Data obtained from the Net County Administrative Costs & Reinvestment Summary for SFY 2008 by adding the following line items - Other Expenditures, Materials & Supplies, Capital Outlay, Other Expenses, and Total Indirect Expenditures. All of these non-salary expenditures are considered Overhead Expenditures.
B	Minnesota's Statewide Total SFY 2008 Caseload	250,351	Data obtained from the 2008 Annual Performance Report.
C	Maximum Overhead Costs / Case	\$131	Deloitte analyzed each county's overhead costs, caseload size, and overhead cost / case ratio. On average, Minnesota currently spends \$215 / case in overhead. Deloitte then analyzed those counties that currently have a caseload of 7,000 cases or greater as a proxy for regional office size. Of these 5 counties (St. Louis, Anoka, Dakota, Ramsey, and Hennepin), the average overhead cost / case ratio is \$131 / case. Deloitte estimates that under a regional model, all regions would be able to achieve economies of scale that would allow each regional office to reach \$131 / case.
D	Total Overhead Costs After Enforcing Maximum Overhead Costs / Case (B * C)	\$32,795,981	
E	Total Savings in Overhead Costs (A - D)	\$6,819,337	
<b>Annual Cost Savings due to a Reduced Overhead Costs</b>		<b>\$6,819,337</b>	

Detailed Costs –One-time Resource Costs

Resource Costs - One-Time										Source
Estimated Hours										
	Project Planning & Manage	Change Management Communication Team	Organizational Design & Workforce Transition	Facilities & Infrastructure Team	Technology Team	Process Team	Total Estimated Hours	Rate / Hour	Total Cost	
State Office Staff	12,480	8,640	14,080	2,560	9,920	7,680	55,360	\$38.37	\$2,124,044	Estimate based on Deloitte experience with similar projects. Assumes 18 months for Foundation activities, 3-6 months for Planning activities, and 12-15 months for Execution activities.
Current County Staff	4,520	5,760	3,200	0	960	1,920	16,360	\$28.09	\$459,504	Estimate based on Deloitte experience with similar projects. Assumes 18 months for Foundation activities, 3-6 months for Planning activities, and 12-15 months for Execution activities.
Vendor	6,560	6,400	9,600	2,560	14,400	10,240	49,760	\$175.00	\$8,708,000	Estimate based on Deloitte experience with similar projects. Assumes 18 months for Foundation activities, 3-6 months for Planning activities, and 12-15 months for Execution activities.
<b>Total One-Time Resource Costs</b>									<b>\$11,291,548</b>	

Detailed Costs – One-time Transition Costs

Transition Costs - One-Time				Source	
	FTE	Sq Ft / FTE	Unit Cost	Total Cost	
Leasehold Improvements	1,105.7	200	\$30	\$6,634,218	Leasehold Improvements include walls, flooring, lighting, restrooms, conference rooms, cafeteria, mailroom, document storage area (combined, \$20/FTE), building security (\$4/FTE), and cabling (\$6/FTE). FTE number based on new caseworker FTE assumption and the addition of Assistant Attorneys General, legal support staff, and Attorney supervisor FTEs (1,200.1 current county-level FTEs - 166.1 FTE reduction + 71.7 legal FTEs = 1,105.7 county-level FTEs). In this model, it is assumed that all child support FTEs will be relocated to new office space. This estimate may be adjusted closer to implementation after a thorough real estate study has been conducted. Cost estimates based on Deloitte experience with similar projects.
Furniture and Equipment	1,105.7	-	\$2,415	\$2,670,273	Furniture and Equipment includes computers (\$900 each), telephones (\$175 each), office/cubicle furniture (\$1,340/FTE). FTE number based on new caseworker FTE assumption and the addition of Assistant Attorneys General, legal support staff, and Attorney supervisor FTEs (1,200.1 current county-level FTEs - 166.1 FTE reduction + 71.7 legal FTEs = 1,105.7 county-level FTEs). In this model, it is assumed that all child support FTEs will be relocated to new office space. This estimate may be adjusted closer to implementation after a thorough real estate study has been conducted. Cost estimates based on Deloitte experience with similar projects.
IT Infrastructure Costs	-	-	268,590	\$268,590	IT Infrastructure Costs include network printers (1 printer/30 FTEs @ \$1,500 each), fax machines (1 fax machine/50 FTEs @ \$500 each), servers (\$80/FTE), routers (1 router/office @ \$3,630 each), switches (1 switch/office @ \$4,672 each), cables (\$20/FTE). FTE number based on new caseworker FTE assumption and the addition of Assistant Attorneys General, legal support staff, and Attorney supervisor FTEs (1,200.1 current county-level FTEs - 166.1 FTE reduction + 71.7 legal FTEs = 1,105.7 county-level FTEs). In this model, it is assumed that all child support FTEs will be relocated to new office space. This estimate may be adjusted closer to implementation after a thorough real estate study has been conducted. Number of offices based on 10 regional offices. Cost estimates based on Deloitte experience with similar projects.
<b>Total One-Time Resource Costs</b>				<b>\$9,573,081</b>	

Detailed Costs – Total One-time Costs

Total One-Time Costs	
Total One-Time Resource Costs	\$11,291,548
Total One-Time Transition Costs	\$9,573,081
<b>TOTAL ONE-TIME COSTS</b>	<b>\$20,864,629</b>

Detailed Costs – Recurring Costs

Recurring Costs (Starting in Year 2)					
	Trips / Year	Miles / Trip	Mileage	Total Cost	
Transportation Costs	4,160	100	\$0.55	\$228,800	Trips / Year based upon 8 trips per week from each of the regional offices to attend court hearings or to deliver services locally on a recurring basis. Reimbursed mileage rate from CSED data request.
<b>TOTAL RECURRING COSTS</b>				<b>\$228,800</b>	

## Assumptions

157 In creating the Implementation Plan, it was necessary to make certain assumptions. These assumptions are listed below.

- As set forth in the *Existing Service Delivery Model Assessment (Deliverable #2)*, we estimate that implementation of the State Operated Regional Offices option could occur in a timeframe of approximately 18 months. This 18 month timeframe includes the Planning and Execution phases of the Implementation Plan described above. It is estimated that the Planning phase could take between 3 and 6 months to complete. The Execution phase of the Implementation Plan is then estimated to take between 12 and 15 months.
- This 18 month implementation timeframe does not include certain foundational activities which would need to occur prior to the onset of any service delivery model transition. It is estimated that these foundational activities could be completed in approximately 18 months, making the total implementation timeframe for transitioning to the State Operated Regional Offices service delivery model approximately 36 months. These foundational activities are described within the Foundation phase of the Implementation Plan and include such activities as:

- Securing necessary project support and leadership alignment
- Identifying and obtaining necessary legislative changes to Minnesota statutes

Identifying and receiving approval from the Office of Child Support Enforcement (OCSE) on changes to the state plan  
Conducting a To Be Process Analysis  
Conducting an Organizational Design Assessment  
Conducting a Technology Assessment

- Resource hours associated with performing each of the projects defined above have been estimated in the Cost Benefit Analysis. At this stage, these resource hours and associated costs are estimates and will require further analysis and revision by CSED should it choose to move forward with the implementation of a new service delivery model. Several factors could impact the final resource hours and associated costs required for the implementation such as the allocation of state and county resources versus vendor resources or unanticipated delays in implementation activities requiring more time or more resources to resolve.
- The Implementation Plan is intended to provide overall guidance for CSED as it considers a transition to a new service delivery model. While the projects and activities discussed herein will provide a starting point for future planning, the narrative and estimated timeframes provided are not intended to serve as a detailed work plan.
- The dates and durations presented in the Implementation Plan are illustrative only. Actual dates will depend on CSED's detailed planning efforts should it move forward with the transition. Activity durations will also be dependent upon this planning, as well as upon the completion of predecessor activities throughout the implementation process. The Gantt chart view of the Implementation Plan is meant to provide a representation of how deliverables and activities might be sequenced throughout the implementation of the State Operated Regional Offices service delivery model. Timing and sequencing will also be affected by the roll-out approach selected, the staff resources dedicated to the effort, the mix of state, county, and vendor resources selected, and the timing of necessary legislative and federal change approvals, among other factors.

## Summary of Implementation Plan

- 158 As previously mentioned, the Implementation Plan consists of six threads of activities that will need to be accomplished to transition to the State Operated Regional Office model. Together, these threads can be woven into a comprehensive approach to addressing the many issues involved in implementing the new model.
- 159 Figure 25 presents a summary of the proposed high-level deliverables that would need to be completed for the implementation of the proposed service delivery model. These deliverables are organized by thread and sequenced according to implementation phase. Following is an overview of the core activities that will occur in each thread of work. More detailed narrative about each thread and the associated deliverables is provided in Deliverable #3.

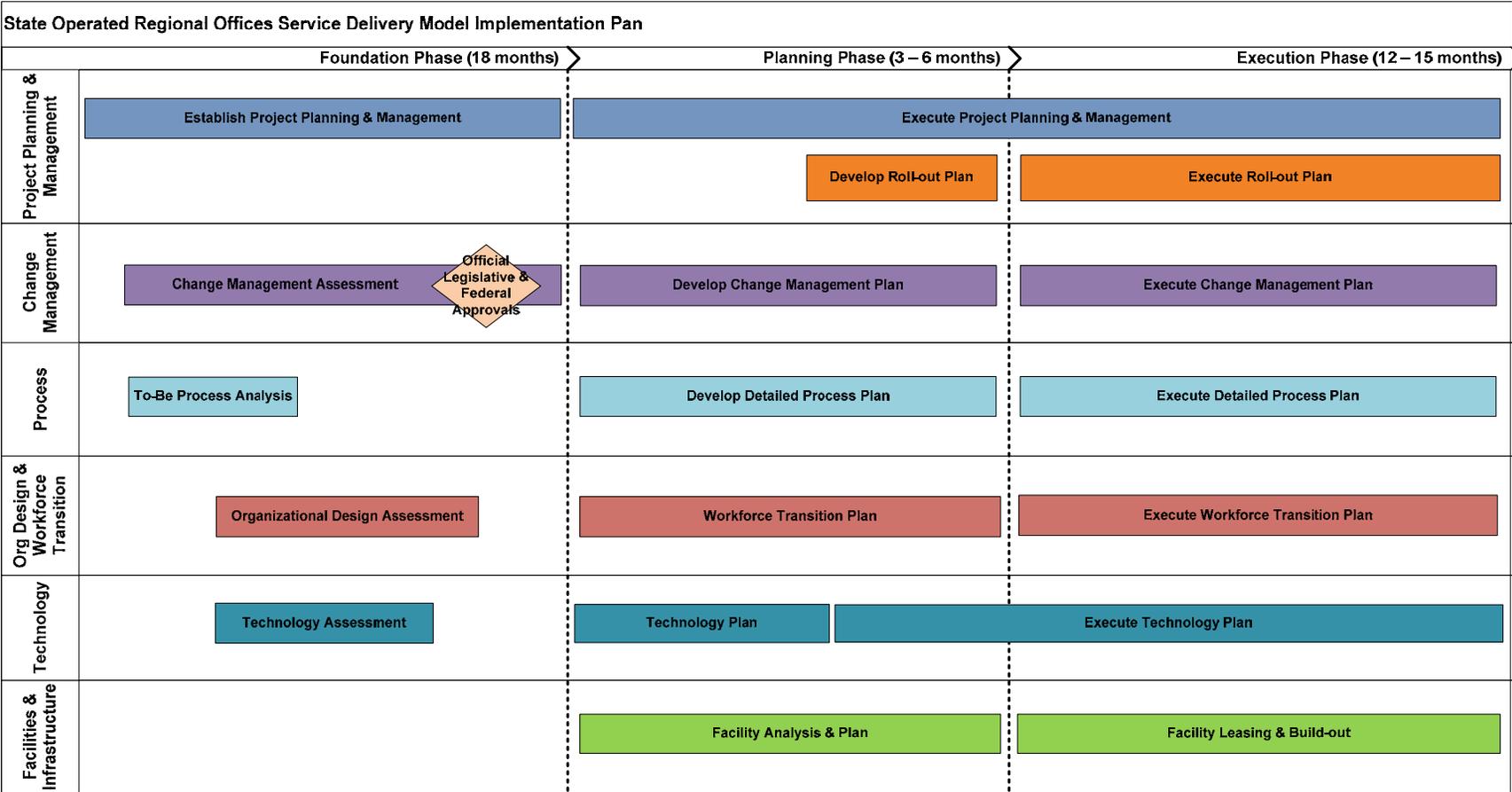


Figure 25: Implementation Deliverables Across Phases and Threads

Project Planning & Management

160 The Project Planning & Management thread establishes a governance structure and framework to implement the new service delivery model. The transition from a county operated service delivery model to a state operated delivery model is a significant undertaking that will require careful planning, coordination, and follow-through. Project management activities will serve as the mechanism for coordinating all the resources, activities, funding, and communication that will be required to complete this effort. The successful management of this implementation project will require the utilization of tools, development of processes, and the creation of templates to facilitate integration across multiple project threads and will provide a project-wide view of ongoing resource consumption and overall progress toward the vision. A key element of this thread will be the creation and execution of a Roll-out Plan. The goal of the Roll-out Plan is to coordinate the necessary activities from the other threads into one cohesive schedule to achieve the successful execution of each activity and timely transition to the new service delivery model.

### Change Management

- 161 The Change Management thread establishes the foundation of support and acceptance among the stakeholders that will be impacted by the changes to the new model. While the Change Management thread includes its own specific set of activities, change management will not occur in a vacuum. Rather, it is supported by other elements of the Implementation Plan, such as executing an Organizational Design Plan and developing a Workforce Transition Plan. The change management process is dynamic in that it must be able to respond and adapt to new developments as the project progresses. This section of the Implementation Plan will discuss the primary activities associated with the Change Management process, but will also rely on the work done in other threads of the project such as Project Planning & Management.

### Process

- 162 The Process thread develops and documents the future business processes that will be used in the new model. The process related activities will occur during the Foundation, Planning, and Execution phases of the implementation effort. Key activities include completing a To-Be Process Analysis during the Foundation phase, building this To-Be Process Analysis into a Detailed Process Plan during the Planning phase, and executing that plan during the Execution phase. This section of the Implementation Plan provides additional detail about the activities and deliverables of the To-Be Process Analysis and the Detailed Process Plan.

### Organizational Design & Workforce Transition

- 163 The Organizational Design & Workforce Transition thread outlines the implementation tasks that relate to the design of the new organization and the transition of the existing workforce from 84 county offices to a single state workforce with regional offices. The organizational design and workforce transition will be a major undertaking, significantly affecting hundreds of employees and thousands of CSED constituents. Issues that affect staff recruitment and employment, benefits, and working conditions must be handled carefully and must be well planned. The new organizational structure must also be able to meet the needs of CSED's constituents throughout the implementation timeframe.

### Technology

- 164 The Technology thread consists of assessing the child support systems for compatibility with the new service delivery model, identifying the gaps between the current state of the technology and the needs of the new service delivery model, and implementing the actions to modify the systems accordingly. The business of child support relies heavily upon technology to support its business processes. In child support casework activities, for example, there are forms that are generated and mailed, appointments that are scheduled, notes that are captured, and countless business rules that help drive casework forward. The change to a new service delivery model must include an analysis of the current enabling technology and a plan to make necessary modifications to align the supporting technology with the state operated business model.

### Facilities & Infrastructure

- 165 The Facilities & Infrastructure thread includes the activities to analyze, select, and build-out the locations of the regional offices. Beginning towards the end of the Planning phase and continuing throughout the Execution phase, based upon the schedule determined within the Roll-out Plan, the state will negotiate and sign leases or enter into other formal real estate arrangements for the new offices. As potential sites are identified, a detailed assessment of each facility will be conducted. Once a site is selected and a lease signed, final designs for necessary infrastructure and other tenant improvements will be created. Construction for the necessary facility build-out will take place in the weeks prior to each regional office becoming operational. Also during this time, necessary office furniture and equipment will be procured and moved into each facility. The Facilities & Infrastructure thread will also coordinate with the Technology thread to complete the installation and necessary set up of all systems and IT equipment prior to employees reporting to each facility for work.

## Key Questions and Answers

166 In the Request for Proposal (RFP) for this project, CSED asked that the following questions be addressed in *Deliverable #3: Implementation Plan*:

- **Can the recommendations be implemented incrementally? If so, in what order should the steps occur?** The State Operated Regional Offices option could be implemented over a 36 month period. In the Project Planning & Management section of Deliverable #3 we indicate that implementing the new service delivery model will entail transitioning, among other things, the people, processes, and technology of the Minnesota child support program from the existing 84 county offices to the agreed upon number of regional offices. The child support program could choose to take a “Big Bang” approach to the transition, moving all 84 offices at one time, or an incremental, phased approach. We would propose an incremental, phased approach to the transition. One major benefit of this type of an approach is that it will likely have fewer interruptions to normal business operations throughout the transition.
- **How should the new model be explained to different partners and stakeholders?** We believe that Deliverable #2 of the ASDM Project built a compelling business case for the State Operated Regional Offices model. This option will move the Minnesota child support program from a county operated service delivery model to a state operated service delivery model. The new structure provides direct central control over all aspects of the program, permitting economies of scale and resource reallocation to improve efficiency, resulting in program savings. The state operated model places child support program leadership, management, planning, organizing, evaluating, and providing customer services under the direct control of the Minnesota Child Support Enforcement Division (CSED) from central office staff to field office staff. CSED would be the only political entity controlling and delivering child support services for the State of Minnesota.

The benefits of the evaluation criteria established in the Assessment phase should be explained and the alignment of the new service delivery model with the evaluation criteria should be included in any explanation of the new service delivery model. The key benefit, increased consistency in the delivery of child support services, should be emphasized and highlighted. Additionally, the explanation should emphasize efforts undertaken in the implementation to minimize disruptions in service to customers and efforts made to recruit current county employees to retain a component of experienced caseworkers in the new service delivery model.

Should CSED choose to implement this option, a detailed Change Management Communication Plan will need to be developed to educate the stakeholders about the various details in the change to the new model. The Change Management Communication Plan should be designed to provide a framework for driving clear, consistent communications to stakeholders. A well-designed Change Management Communication Plan will include detailed tactics, target audiences, timing, frequency of communications, and the person(s) responsible for developing, approving, and delivering the communications.

- **What is the cost / benefit of the proposed changes (to allow for partial or incremental implementation)?** As detailed in the updated Cost Benefit Analysis above, this option is estimated to require a total of \$20,864,629 in one-time resource and transition costs to be expended in Year 0 (2011), Year 1 (SFY 2012), and 2 (SFY 2013) during a 36 month implementation. In addition, an estimated \$228,800 in recurring costs is expected to begin in Year 1 and increase at 3% per year thereafter.

Annual savings for this option were not modified during the Implementation Planning phase of the ASDM project. Total annual savings for this model are estimated at \$22,940,125. A portion of this benefit is estimated to be realized in Year 2 after partial implementation of this model. The full annual amount of this benefit is estimated to be realized in Year 3, after implementation has been completed. As set forth in this option and the associated Cost Benefit Analysis, estimated savings are achieved via the following:

Reducing overall program staff by an estimated 166.1 FTE will save an estimated \$9,703,980 in staff salaries and benefits.

Transitioning legal services to the Attorney General's Office or other legal service providers selected through a competitive procurement process will result in estimated annual legal savings of \$6,145,460.<sup>6</sup>

Establishing a statewide genetic testing contract is estimated to save Minnesota CSE \$271,349 in genetic testing expenditures annually.

Enforcing a maximum amount of overhead costs per case in the regional offices is estimated to save \$6,819,337 in overhead expenditures.

- **What staffing changes are necessary? How many staff working in the program will be affected?** This model would have significant impact on the county staff currently delivering services as their jobs as county employees would no longer exist. Many of these employees would be recruited and transferred to the regional offices; however, relocation to the site of the regional office would not be an option for all county employees. This change would include resolving the inherent issues associated with possible different levels of salaries, benefits, and retirement programs. As a result, an effective human resources component of the Implementation Plan is a critical success factor for the implementation of the State Operated Regional Offices model. In addition, as mentioned previously, we estimate a reduction in 166.1 county-level staff FTEs compared to the proposed staffing level in the new model.

In addition, as noted above, there would be staffing changes at the state office to create the structure needed to manage, monitor, and supervise the regional offices and provide legal services to those regional offices.

- **How would existing labor agreements affect the proposed model?** Minnesota is a strong union state and county child support employees belong to a variety of unions representing their wage, benefit, and working environment interests. There are at least 50 labor contracts for the county agencies and 15 separate merit / personnel systems. The Minnesota Merit System (MMS) serves as the merit / personnel system for 73 counties (70 agencies) and then 14 counties have their own merit / personnel systems. Salary and benefit packages of county workers in comparable job classifications can vary greatly across the state. In addition, working conditions also vary between county workers (e.g., some do not work a 40 hour work week). Due to the number of these unique labor contracts, converting existing county staff to state employment is a critical activity that could present a variety of challenges to successful transition. Ultimately, the state assuming control of the program and all staff being state employees would require that the existing labor agreements end and the new state employees be assimilated into the state labor structure. These issues will need to be addressed through the Workforce Transition activities in the Implementation Plan.
- **What infrastructure changes are necessary?** The change from the existing service delivery model with 84 county offices to a State Operated Regional Offices model with 10 offices will require careful planning and execution. First, the geographic locations for the 10 regional offices will need to be established. Once those decisions have been made, new office space will need to be secured, built out, and equipped with the furniture and equipment needed to support the workers dedicated to that office. Part of the infrastructure effort will include verifying that the technology used to support the child support program is in place.

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<sup>6</sup> The estimated savings in legal services is based upon legal services provided by the Attorney General's Office calculated at the average blended salary of an assistant attorney general. Procuring legal services through a competitive bidding process may result in more or less savings depending upon the cost of legal services procured through this process for the regional office.

The efforts of building out the sites could include procuring services of architects, site designers, and construction vendors. The Project Team will need to closely monitor all aspects of site preparation in order to make sure each site is ready for transition to the new model.

- **How might the federally required child support automated system (PRISM) be affected?** The PRISM system will likely require a number of modifications in order to support the new service delivery model. Since PRISM is the primary tool caseworkers use to complete the majority of the work associated with child support cases, PRISM will clearly be impacted by changes to the way child support services are delivered. A comprehensive Technology Assessment will need to occur during the foundation stage of the project in order to fully assess the scope of changes that could be required. The following are some examples of the types of things that would likely need to be modified in PRISM.

**Caseload Assignment:** Cases are currently assigned according to counties, and there are 84 county offices that have caseloads. The new model has 10 state operated regional offices instead of these 84 county offices. PRISM caseload management will need to be modified to assign cases according to the appropriate region. In addition, there will be a need to move existing cases to the new model. This conversion to the new model could be done via automated programs or could be done manually.

**Outbound Forms:** Outbound forms typically have the caseworker name and contact information on them so that the receiving party can contact the person who initiated the correspondence. The forms programs and templates will need to be modified in order to populate the correct office / caseworker that will be supporting the case in the new service delivery model.

**Worklists:** Worklists notify caseworkers to take actions on a case or notify them when a certain event occurs. Worklists will need to be assessed to determine if they should still go to the same type of worker or whether there is a new worker that should receive it.

**Default Flows:** Default flows help the user navigate through various screens in order to complete a business function. These default flows will need to be reviewed to determine if any changes need to be made.

**To-Be Modifications:** As the to-be processes are developed to support the new service delivery model, PRISM will undoubtedly require modifications to support the new processes implemented under the new service delivery model.

## Implementation Plan Conclusion

- 167 The transition to a new service delivery model is a major undertaking that will require careful planning, preparation, and execution, as well as the commitment and support of program leadership and diverse groups of stakeholders. Should CSED proceed with the implementation of the State Operated Regional Offices service delivery model, this Implementation Plan can serve as a high-level guide for the deliverables and activities that will need to be accomplished.
- 168 The *Implementation Plan (Deliverable #3)* provides CSED with a broad view of the work that will be required to complete such a transition. It is not intended to serve as a detailed work plan. Rather, it can provide overall guidance and a starting point for future planning as CSED moves forward with the transition.

# Integrated Roadmap

169 We recognize that many organizational change opportunities identified as a result of the Assessment of Service Delivery Model (ASDM) Project will have a direct relation to or dependency on a Policy BPR Project activity. CSED's vision of implementing the activities from both of these projects will necessitate a coordinated effort between these two distinct work efforts. Leveraging our understanding of CSED's desired future business state attained through the Policy BPR Project and through work with CSED to determine overall program goals, we developed an Integrated Roadmap that depicts a plan for the Minnesota child support program, including business process, technology, performance, and organization / staffing changes. The Integrated Roadmap shown in Figure 26 and Figure 27 provides a holistic view of both ASDM and Policy BPR projects and their respective timing in one view which will allow decision makers to visualize how the various projects fit together in the effort for CSED to evolve into the efficient, effective organization that it seeks to be.

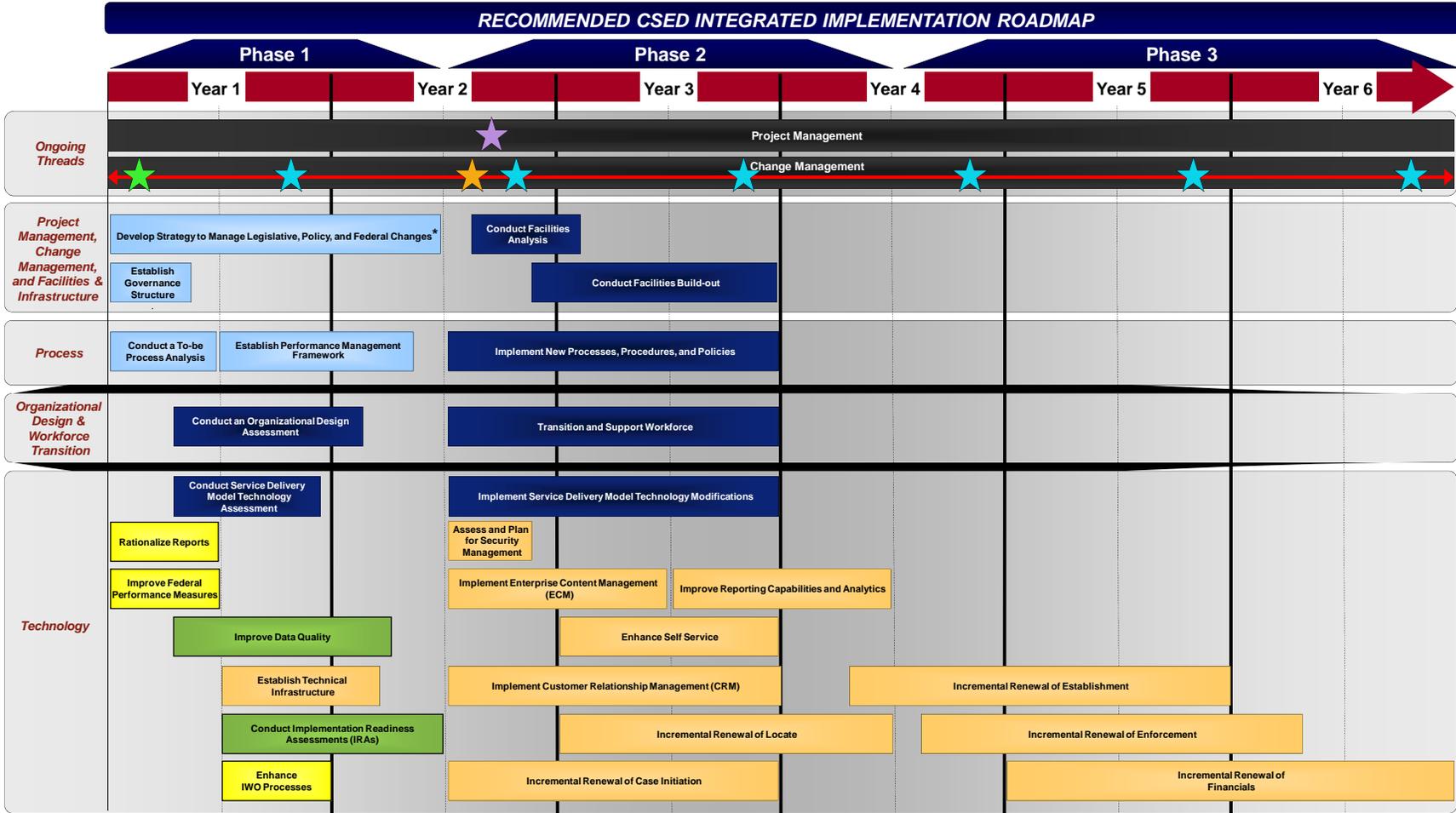
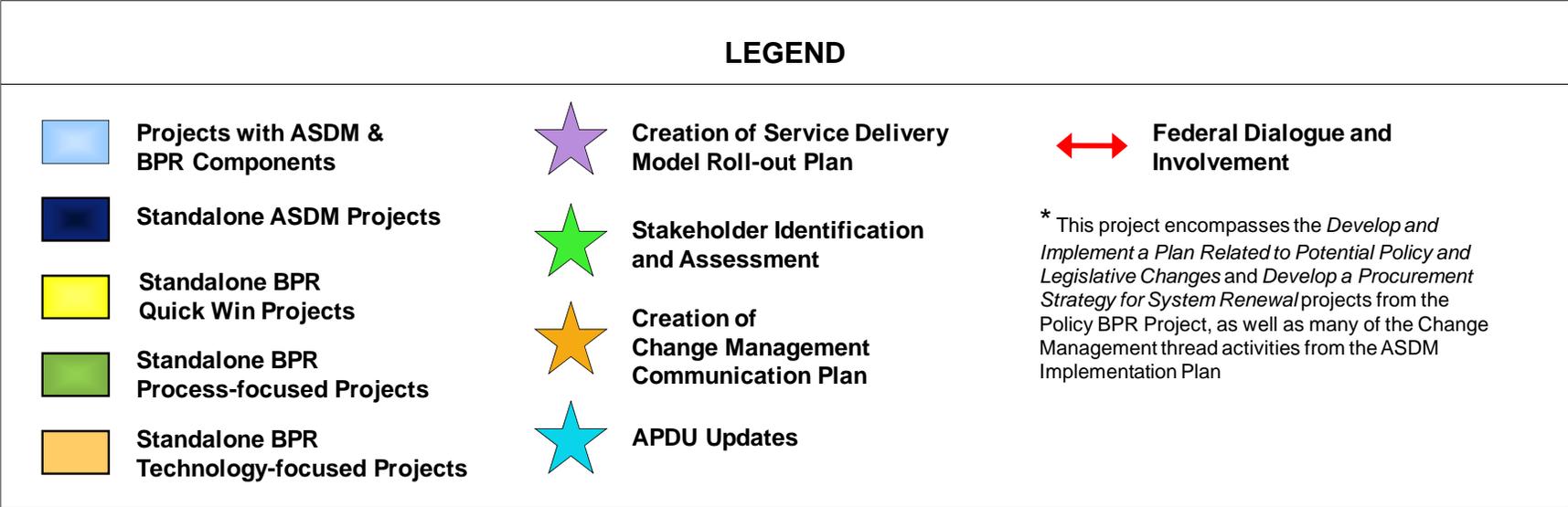


Figure 26: Integrated Roadmap



**Figure 27: Integrated Roadmap Legend**

170 The Integrated Roadmap presents a view of the full implementation of both the Policy BPR and ASDM projects over the course of a CSED chosen six year period of time. This six year period has been divided into three phases throughout the implementation timeframe. The first phase, estimated to take 18 months, lays the foundation for the future activities. Projects in this phase include many of the planning, analysis, and assessment activities that will be required to prepare for the transition to a new service delivery model and for system renewal. Also included in this phase are quick-win projects that were identified during the Policy BPR Project that will allow CSED to see some early return on investment in the roadmap implementation effort. The second phase is estimated to take two years to complete and includes the full implementation of the state operated service delivery model, as well as many of the recommended Policy BPR projects. We have selected targeted technology projects to be completed during this phase that we feel will be critical for implementation of the state operated service delivery model. For example, the Implement Customer Relationship Management and Implement Enterprise Content Management projects will provide needed technology support in the areas of customer service and case record management. At the end of Phase 2, the program will be operating under the State Operated Regional Offices service delivery model while it completes the remaining system renewal projects. Phase 3 of the Integrated Roadmap spans two and a half years and consists of the last three system renewal projects presented in the Policy BPR Project. At the end of Phase 3, CSED will have implemented all the projects that have been identified to implement a new service delivery model, streamline policies and procedures, and renew the statewide computer system. Table 28 presents a list of all of the Integrated Roadmap projects and their estimated durations by Phase, as well as the Ongoing Threads which will be performed throughout the life of the implementation.

Project Name	Duration	Project Origin
<b>Ongoing Threads (Phases 1-3)</b>		
Project Management	Entire duration of implementation	Combined ASDM and Policy BPR
Change Management	Entire duration of implementation	Combined ASDM and Policy BPR
<b>Phase 1</b>		
Develop Strategy to Manage Legislative, Policy, and Federal Changes	16-18 months	Combined ASDM and Policy BPR
Establish Governance Structure	3-4 months	Combined ASDM and Policy BPR
Conduct a To-Be Process Analysis	4-6 months	Combined ASDM and Policy BPR
Rationalize Reports	4-6 months	Policy BPR
Improve Federal Performance Measures	5-6 months	Policy BPR
Conduct Organizational Design Assessment	8-10 months	ASDM
Conduct Service Delivery Model Technology Assessment	7-8 months	ASDM
Improve Data Quality	10-12 months	Policy BPR
Establish Performance Management Framework	8-10 months	Combined ASDM and Policy BPR
Establish Technical Infrastructure	6-9 months	Policy BPR
Conduct Implementation Readiness Assessments (IRAs)	10-12 months	Policy BPR
Enhance IWO Processes	3-6 months	Policy BPR
<b>Phase 2</b>		
Implement New Processes, Procedures, and Policies	16-18 months	ASDM
Transition and Support Workforce	16-18 months	ASDM
Implement Service Delivery Model Technology Modifications	16-18 months	ASDM
Assess and Plan for Security Management	4-6 months	Policy BPR
Implement Enterprise Content Management (ECM)	9-12 months	Policy BPR
Implement Customer Relationship Management (CRM)	15-18 months	Policy BPR

Project Name	Duration	Project Origin
Incremental Renewal – Case Initiation	16-18 months	Policy BPR
Conduct Facilities Analysis	4-6 months	ASDM
Conduct Facilities Build-out	12-14 months	ASDM
Enhance Self Service	9-12 months	Policy BPR
Incremental Renewal – Locate	16-18 months	Policy BPR
Improve Reporting Capabilities and Analytics	9-12 months	Policy BPR
<b>Phase 3</b>		
Incremental Renewal – Establishment	18-24 months	Policy BPR
Incremental Renewal – Enforcement	18-24 months	Policy BPR
Incremental Renewal – Financials	18-24 months	Policy BPR

**Table 28: Summary of Project Profiles**

## Ongoing Threads

- 171 The Ongoing Threads defined here will begin with the initiation of the Integrated Roadmap projects and will continue on throughout the life of the implementation. The activities described in these threads will allow for the ongoing management of all of the Integrated Roadmap projects and communication both internally with the Project Team and externally with the program's stakeholders.
- 172 The Ongoing Threads include:
- **Project Management**
  - **Change Management**

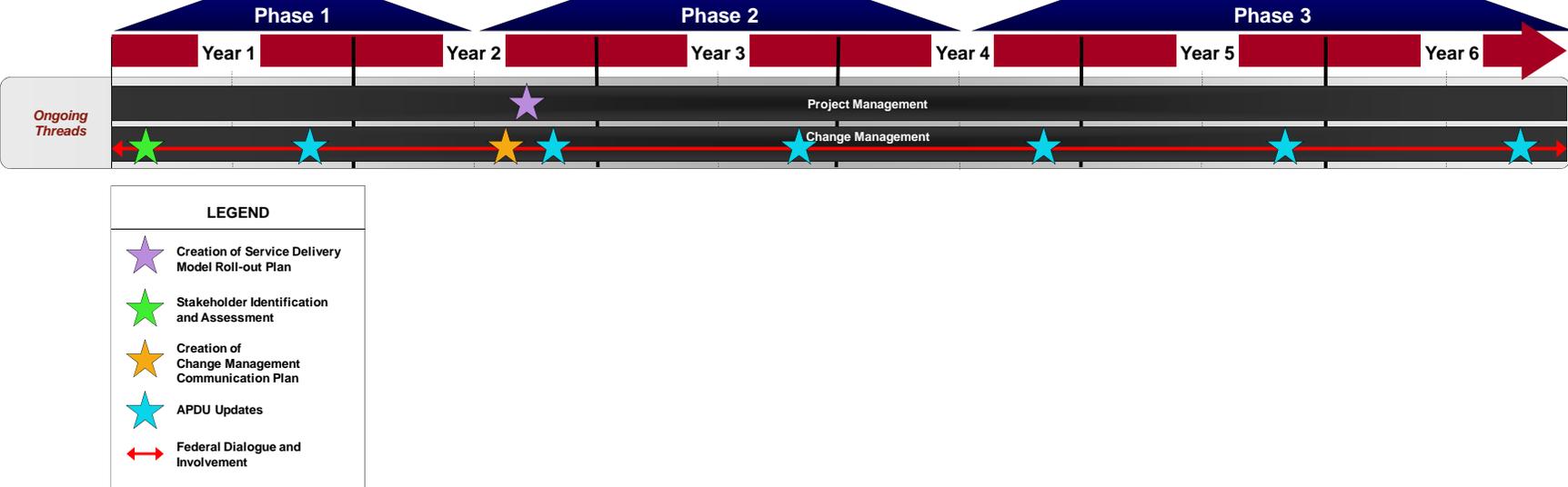


Figure 28: Ongoing Threads of Integrated Roadmap

**Project Management**

173 The **Project Management Ongoing Thread** encompasses all of the ongoing project management activities that will be established through the Project Plan created during the **Establish Governance Structure** project.

Project Name	Project Management
Duration	Entire duration of implementation
Project Phase	Phases 1 – 3
Project Origin	Combined ASDM and Policy BPR
Policy BPR Project ID	Supporting Thread
Project Description	During the <b>Establish Governance Structure</b> project, the CSED Project Team will create a Project Plan that details the ongoing project management activities, such as status reports and updates, internal project communications, and risk and issue logging and tracking, which should occur throughout the life of the project. In addition, as the implementation threads associated with the service delivery model transition near the end of their assessment and planning stages and move toward implementation, an overall Service Delivery Model Roll-out Plan will have to be created to detail the logistics involved in this transition.

	<p><b>Ongoing Project Management Activities</b></p> <p>The <i>Establish Governance Structure</i> project will set forth a Project Plan with several mechanisms through which the Project Manager and others on the Project Team can monitor the progress of the implementation and address any issues that may arise. Execution of the Project Plan, defined here as the <i>Project Management Ongoing Thread</i>, will be critical in the timely and accurate implementation of the Integrated Roadmap projects.</p> <p>Ongoing (daily, weekly, monthly, quarterly, and annual) monitoring of the project should be conducted according to the processes and procedures defined in the Project Plan and according to the timeline and resource allocation defined in the work plan. Adherence to the defined status reporting meeting schedule and reporting methods will be critical to educate stakeholders on the progress made on the project as well as to alert key decision makers of risks and issues which must be addressed. Dissemination of relevant internal communications related to project implementation is also essential throughout the transition.</p> <p><b>Service Delivery Model Roll-out Plan</b></p> <p>Within the <i>Project Management Ongoing Thread</i>, the Service Delivery Model Roll-out Plan is a specific activity undertaken to schedule the roll-out of the new service delivery model across the state. Particularly, it is intended to coordinate the necessary activities from each service delivery model implementation project into one cohesive schedule to achieve the successful execution of each activity and timely transition to the new service delivery model. The following steps should be taken in creating the Roll-out Plan:</p> <ul style="list-style-type: none"> <li>• Evaluate each transition activity to determine inclusion in the Roll-out Plan</li> <li>• Determine Roll-out Approach</li> <li>• Consider Pilot Phase</li> <li>• Create On-site Roll-out Plan Handbook</li> <li>• Execute Roll-out Plan throughout remainder of service delivery model implementation</li> </ul>
<b>Dependencies, Assumptions, and Notes</b>	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>• It is assumed that the framework for the activities described here will be established during the <i>Establish Governance Structure</i> project and that these activities will then be conducted throughout the life of the implementation according to this framework.</li> </ul> <p><b>Dependent Projects:</b></p> <ul style="list-style-type: none"> <li>• The completion of the Service Delivery Model Roll-out Plan is dependent on the completion of the Phase 1 activities.</li> </ul>	

**Table 29: Project Management**

**Change Management**

174 The **Change Management Ongoing Thread** consists of several one-time and ongoing activities that will enable a smooth service delivery model and system renewal implementation. This thread consists of identifying and assessing the program’s key stakeholders, creating a plan to communicate with them regularly, executing that plan, and completing additional activities with select stakeholders to obtain the ongoing approvals necessary to carry out the implementation.

Project Name	Change Management
Duration	Entire duration of implementation
Project Phase	Phases 1 – 3
Project Origin	Combined ASDM and Policy BPR
Policy BPR Project ID	Supporting Thread
Project Description	<p>The <b>Change Management Ongoing Thread</b> involves many different activities related to stakeholder engagement and communication about the program changes to involve stakeholders, gain support for the service delivery model and system implementations, and communicate regularly with all of the program’s stakeholders, both internally and externally. Activities that make up the <b>Change Management Ongoing Thread</b> include:</p> <ul style="list-style-type: none"> <li>• Identify, Assess, and Engage Stakeholders</li> <li>• Create Change Management Communication Plan</li> <li>• Deliver Communications</li> <li>• Submit ADPU Annually</li> <li>• Continue OCSE Dialogue and Involvement</li> </ul> <p><b>Identify, Assess, and Engage Stakeholders</b></p> <p>The purpose of stakeholder identification and assessment is to:</p> <ul style="list-style-type: none"> <li>• Assess the current level of support of each stakeholder, the potential risks, barriers and enablers perceived by each stakeholder, and the amount of change readiness that each stakeholder will require</li> <li>• Understand what level of participation will be required from the stakeholders during the implementation of the new service delivery model</li> <li>• Identify ways to mitigate project risks associated with lack of buy-in among stakeholders</li> <li>• Address stakeholder concerns about the change effort and provide required information to them to help build consensus in implementing the new service delivery model</li> <li>• Support Change Management communication planning by identifying each stakeholder’s preferred medium for and frequency of receiving communications</li> </ul> <p>Once key stakeholders have been identified and a thorough assessment conducted, stakeholders should be actively engaged. Much of this engagement will come through the Change Management Communication Plan. While stakeholders will be identified and assessed early on in Phase 1, stakeholder engagement should continue throughout the lifecycle of the implementation.</p>

**Create Change Management Communication Plan**

Separate from the Project Progress Communication Plan established during the *Establish Governance Structure* project to communicate internally, the Project Team will develop and coordinate messages to the key stakeholders through a Change Management Communication Plan. The communication types and vehicles will be scheduled and disseminated in a cohesive fashion to achieve the desired effects on the population.

Establishing an effective communication strategy involves selecting key messages for designated stakeholder groups, delivering those communications to each stakeholder through that stakeholder’s preferred medium of communication, and then soliciting and incorporating feedback from stakeholders. Different stakeholders will have different perspectives and concerns about the project, so messages should be tailored appropriately to provide the necessary type and quantity of information. Communication delivery methods can also vary, ranging from periodic newsletters to town hall meetings. During the stakeholder assessment, information will have been gathered regarding each stakeholder’s preferred medium of communication. This information should be used in the preparation of the communication strategy and incorporated into the Change Management Communication Plan.

The Change Management Communication Plan should be designed to provide a framework for driving clear, consistent communications to stakeholders and employees. A well-designed Change Management Communication Plan will include detailed tactics, target audiences, timing, frequency of communications, and the person(s) responsible for developing, approving, and delivering communications. As noted above, it is also critical to provide a feedback mechanism to gather thoughts and responses from communication recipients and tailor future communications to address those responses.

**Deliver Communications**

Creating and delivering the actual communications set forth in the Change Management Communication Plan will be critical throughout the lifecycle of the Integrated Roadmap implementation. This will take a coordinated effort on the part of the Project Team to ensure that communications are created appropriately, incorporate solicited feedback, and are disseminated on time and in accordance with the brand established for the project.

**Submit APDU Annually**

Both the new service delivery model and the system renewal will require technology changes that CSED will have to update in its system Advance Planning Document through an update (APDU) submitted to the Office of Child Support Enforcement (OCSE). Technology updates and cost estimates will need to be reviewed by OCSE in order to provide funding for these changes. CSED will have to obtain OCSE approval for the APDU. CSED will be required to file an APDU annually on the anniversary of its last submission.

**Continue OCSE Dialogue and Involvement**

As discussed in the *Develop Strategy to Manage Legislative, Policy, and Federal Changes*, CSED will need to obtain OCSE approval to changes that will be necessary in the state plan. It is recommended that CSED inform OCSE of its intent to change service delivery models prior to implementing the change to solicit their input and facilitate approval of the state plan. It is also recommended that CSED engage in regular communication with OCSE throughout the implementation process to inform them of upcoming activities, implementation progress, and any changes that may occur throughout the implementation timeframe. Keeping them informed and involved in the process will allow CSED to avoid lengthy delays or setbacks in implementation due to failed approvals.

Dependencies, Assumptions, and Notes
<p>Notes:</p> <ul style="list-style-type: none"> <li>• These activities will be conducted throughout the life of the implementation.</li> </ul>

**Table 30: Change Management**

## Phase 1 Projects

175 We estimate that Phase 1 will take CSED approximately 18 months to complete and will consist of the Foundation phase projects presented in the *Implementation Plan (Deliverable #3)* of the ASDM Project, as well as the Stage 1 projects presented in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project. Alignment exists between several of the recommended ASDM and Policy BPR projects during this phase. By combining duplicative activities into single projects, CSED can save on resource time and expense and can achieve a more integrated implementation of the two projects. Descriptions of the proposed Phase 1 projects follow, indicating where ASDM and Policy BPR projects have been combined.

176 Phase 1 projects include:

- ***Develop Strategy to Manage Legislative, Policy, and Federal Changes***
- ***Establish Governance Structure***
- ***Conduct a To-Be Process Analysis***
- ***Rationalize Reports***
- ***Improve Federal Performance Measures***
- ***Conduct Organizational Design Assessment***
- ***Conduct Service Delivery Model Technology Assessment***
- ***Improve Data Quality***
- ***Establish Performance Management Framework***
- ***Establish Technical Infrastructure***
- ***Conduct Implementation Readiness Assessments (IRAs)***
- ***Enhance IWO Processes***

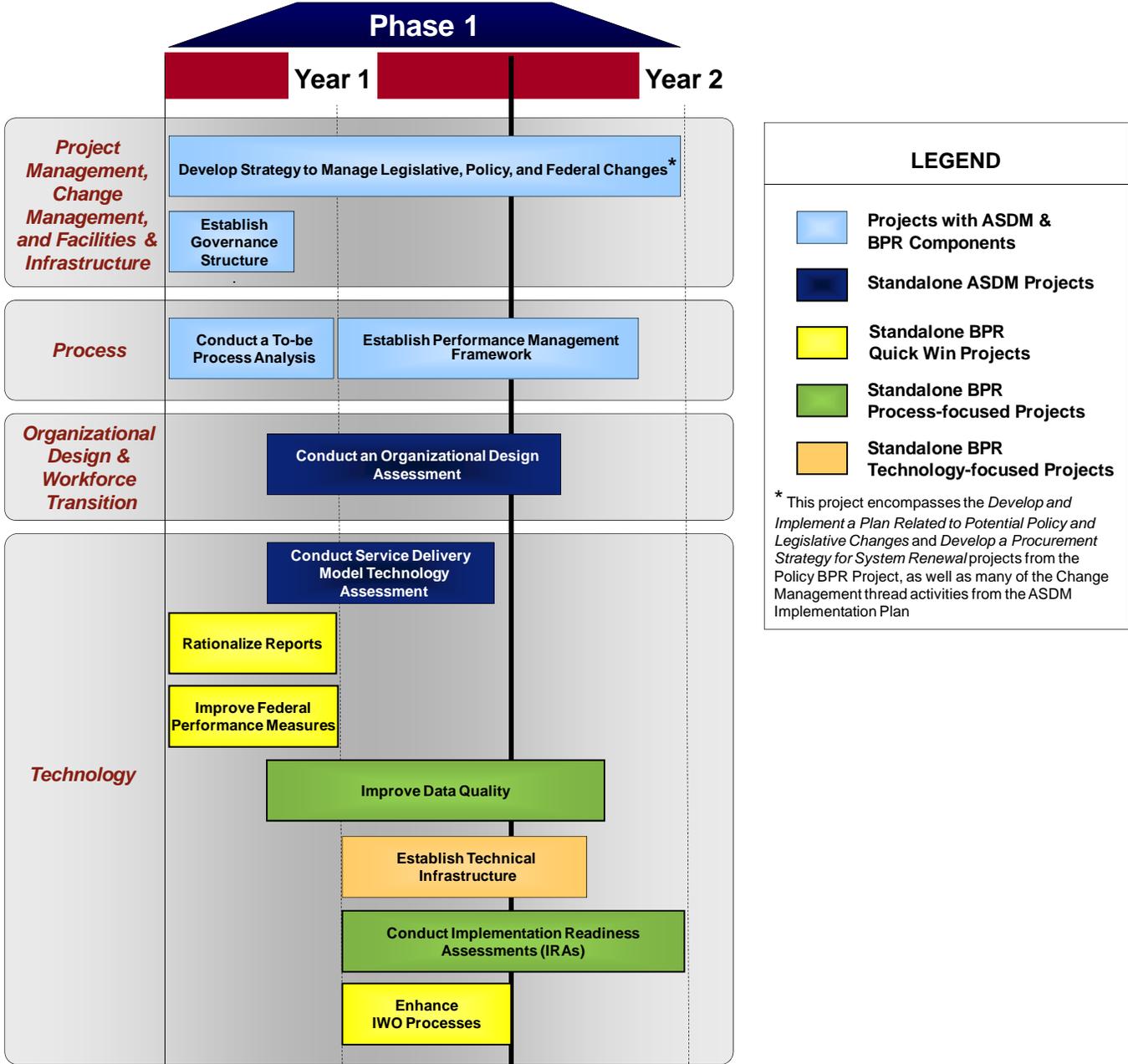


Figure 29: Phase 1 Integrated Roadmap Projects

**Develop Strategy to Manage Legislative, Policy, and Federal Changes**

177 The objective of the **Develop Strategy to Manage Legislative, Policy, and Federal Changes** project is to identify, document, and initiate changes in state statutes, internal policies, the state plan with OCSE and the Advanced Planning Document also with OCSE. This project encompasses the **Develop and Implement a Plan Related to Potential Policy and Legislative Changes** and **Develop a Procurement Strategy for System Renewal** projects from the Policy BPR Project, as well as many of the Change Management thread activities from the ASDM Implementation Plan, as described below. Continued communication with OCSE via annual APD Updates, while initiated and planned for in this project, will be executed throughout the life of the implementation through the **Change Management Ongoing Thread** discussed later in this deliverable.

Project Name	Develop Strategy to Manage Legislative, Policy, and Federal Changes
Duration	16 – 18 months
Project Phase	Phase 1
Project Origin	Combined ASDM and Policy BPR
Policy BPR Project ID	2 and 3
Project Description	<p>A central component of this project is to identify existing state statutes and internal policies that will need to be modified to enable the child support program to transition to and operate under the new service delivery model and the recommended Policy BPR changes. CSED will also need to update the state plan filed with OCSE and receive approval in order to make these structural changes to the program. This project also entails the development of any new statutes and policies that may be necessary to support operations under the new structure and creation of a plan that will allow CSED to obtain the necessary approval (state and federal) for the procurement effort that will be required to renew the child support system (PRISM).</p> <p><b>Legislative Changes</b></p> <p>One key aspect of this project that will require CSED’s attention early in the implementation timeline is to address the statutory changes that will be needed before CSED can transition to a new service delivery model or implement the recommended Policy BPR changes that will fundamentally change the way the program currently operates. Specifically, to implement the new service delivery model, it will be necessary to enact a statutory framework which clearly defines the authority and responsibility of the Department of Human Services to administer and operate the child support enforcement program in accordance with the requirements of Title IV-D and all applicable federal regulations. The following activities will enable CSED to obtain necessary changes to existing legislation:</p> <ul style="list-style-type: none"> <li>• Identify statutes requiring change to support new structure</li> <li>• Develop budget design for new structure and transitional budget plan</li> <li>• Draft new legislation</li> <li>• Identify legislative sponsor</li> <li>• Gain support for legislative changes</li> </ul>

**Policy Changes**

In addition to the existing state statutory framework, CSED will need to undergo an examination of internal policies that may inhibit the full realization of the future vision of the child support program. Once these policies have been identified, they should be validated with the program's key stakeholders and a plan for modifying and / or eliminating them should be created. Additionally, new policies may become necessary during the implementation of the new program structure. These policies should be documented as they arise and implemented through the *Implement New Processes, Procedures, and Policies* project.

**Federal Changes**

Federal regulations require OCSE approval of a state plan which demonstrates compliance with federal requirements as a prerequisite to obtaining federal financial participation (FFP) for the program. The lack of an approved state plan would place Minnesota at risk for federal financial sanctions in other federally funded programs such as the TANF program. Therefore, similar to the legislative task above, obtaining approval from OCSE to make the changes in the operation of the Minnesota child support program is another key activity for CSED to complete.

CSED will need to review their current child support program state plan and identify those areas in the plan that will be affected by the changes in the service delivery model and technology systems. The state plan review of administrative and operational changes must reflect the required compliance with the federal regulations that govern the IV-D program.

It is recommended that CSED inform OCSE of the intent to change service delivery models prior to implementing the change. This may enable CSED to leverage federal assistance and guidance in implementing the changes. CSED will then have to draft the necessary changes to the state plan and receive approval of the changes from OCSE.

As detailed in the *Change Management Ongoing Thread*, CSED will also submit an APDU annually to CSED to inform them of the technology updates and cost estimates that will ensue from the implementation projects.

**Procurement Strategy**

The projects included in the Integrated Roadmap will have a number of costs associated with them, including the costs of purchasing the software and hardware that will be used to renew the computer system and the costs associated with the person effort required to design, build, test, and implement the various system renewal projects.

CSED will need to determine the most efficient and effective manner to move forward with the procurements required to renew the system within the constructs set forth by federal and state funding processes. Federal approval will be obtained through the submission and approval of the annual APDU. In addition to working closely with OCSE, CSED will need to implement a plan to reach out to the appropriate departmental and legislative stakeholders who will be the decision makers in the process of securing the state portion of the needed funding.

Dependencies, Assumptions, and Notes
<p><b>Dependent Projects:</b></p> <ul style="list-style-type: none"> <li>• As the policies identified here will need to be officially documented and implemented, it is recommended that this project be completed prior to the start of Phase 2, particularly the <i>Implement New Processes, Procedures, and Policies</i> project.</li> <li>• The policy and legislative changes that are made as a result of this project will be inputs into the requirement definition and functional design of the applicable system renewal projects. Therefore, we suggest that this project be complete prior to the following projects:             <ul style="list-style-type: none"> <li>○ <i>Enhance Self Service</i></li> <li>○ All five <i>Incremental Renewal</i> projects</li> </ul> </li> <li>• In addition, approvals of the legislative and federal changes made during this project will be required prior to implementing the new service delivery model. As such, this project should be completed prior to the following projects:             <ul style="list-style-type: none"> <li>○ <i>Transition and Support Workforce</i></li> <li>○ <i>Implement Service Delivery Model Technology Modifications</i></li> <li>○ <i>Conduct Facilities Analysis</i></li> <li>○ <i>Conduct Facilities Build-out</i></li> </ul> </li> </ul>

**Table 31: Develop Strategy to Manage Legislative, Policy, and Federal Changes**

**Establish Governance Structure**

178 It is recommended that CSED establish a single governance structure for the implementation of both the new service delivery model and the recommended Policy BPR changes. This will allow for continuity of efforts throughout the various phases of the implementations and for a reduction in duplicative project management and communication activities. The objective of the **Establish Governance Structure** project is to establish a governance structure within CSED to help prioritize and coordinate the implementation of projects. This project combines the activities described in the **Establish Governance Structure** project from the Policy BPR Project, as well as many of the activities presented in the Project Planning & Management thread of the ASDM Implementation Plan. Ongoing project management activities are conducted throughout the life of the implementation as discussed in the **Project Management Ongoing Thread**.

Project Name	Establish Governance Structure
Duration	3 – 4 months
Project Phase	Phase 1
Project Origin	Combined ASDM and Policy BPR
Policy BPR Project ID	8
Project Description	The objective of the <b>Establish Governance Structure</b> project is to establish a governance structure and framework to implement the Integrated Roadmap projects. The project management activities that make up this project, as well as those that constitute the ongoing <b>Project</b>

*Management Ongoing Thread* will serve as the mechanism for coordinating all the resources, activities, funding, and communication that will be required to complete this effort. A governance framework requires the utilization of tools, development of processes, and creation of templates to facilitate integration across multiple projects and will provide an initiative-wide view of ongoing resource consumption and overall progress toward the vision.

The key deliverables and associated activities that must take place in order to implement the governance structure within CSED are as follows:

- Establish Governance Structure
  - Define roles and responsibilities
  - Identify Project Sponsor
  - Establish Project Team
  - Establish Steering Committee
- Create Project Charter
  - Define project scope
  - Define project approach / methodology
  - Document project business case
  - Establish project charter
- Develop Project Management Processes and Project Plan
  - Define work breakdown structure
  - Prepare work plan
  - Create risk and issue management plans
  - Create quality assurance plan
  - Create change control plan
  - Create project progress communication plan
  - Define project organization and staffing
  - Define procurement strategy for vendors

More detail about conducting ongoing project management activities is provided in the *Project Management Ongoing Thread*.

Dependencies, Assumptions, and Notes
<p><b>Dependent Projects:</b></p> <ul style="list-style-type: none"> <li>• Successful governance and coordination across all projects is enabled by this project. Therefore, while the initial activities of some projects can get underway prior to the completion of this project, we recommend that this project be completed prior to beginning a majority of both ASDM and Policy BPR projects. As illustrated in the Integrated Roadmap graphic, projects that can begin prior to the finalization of the <i>Establish Governance Structure</i> project are as follows:               <ul style="list-style-type: none"> <li>○ <i>Develop Strategy to Manage Legislative, Policy, and Federal Changes</i></li> <li>○ <i>Conduct a To-Be Process Analysis</i></li> <li>○ <i>Rationalize Reports</i></li> <li>○ <i>Improve Federal Performance Measures</i></li> </ul> </li> </ul>

**Table 32: Establish Governance Structure**

**Conduct a To-Be Process Analysis**

179 As set forth in both the ASDM and Policy BPR projects, one of the key activities to be conducted early in the implementation timeline is the definition of to-be processes. As CSED moves forward with the implementation of both a new service delivery model and the recommended Policy BPR changes, it will be critical that one set of future business processes be established to support the future vision of the child support program. This can be done by conducting a single **Conduct a To-Be Process Analysis** project that encompasses and reflects the process needs of both the new service delivery model and the recommended Policy BPR changes. This analysis will need to recognize the timeline for implementing process and technology improvements and will likely reflect interim process considerations and impacts until the technical improvements are complete.

Project Name	Conduct a To-Be Process Analysis
Duration	4 – 6 months
Project Phase	Phase 1
Project Origin	Combined ASDM and Policy BPR
Policy BPR Project ID	1
Project Description	This project seeks to define and document future business processes that reflect both the Policy BPR suggested changes and the new service delivery model developed during the ASDM project. Conducting a To-Be Process Analysis was presented as a critical step in both the ASDM and Policy BPR Projects independently. While these independent projects focused on the process changes required to support the new service delivery model and system renewal respectively, combining the ASDM and Policy BPR projects into the Integrated Roadmap will allow CSED to perform one consolidated <b>Conduct a To-Be Process Analysis</b> project to encompass process changes associated with both the change in service delivery model and the system renewal. The component pieces of the <b>Conduct To-Be Process Analysis</b> project, described below, remain the same, but the focus of the to-be process sessions will be the future vision of the program based on the implementation of both the ASDM and Policy BPR project recommendations. The resulting to-be process flows will then reflect the business operations of the program under the new

	<p>service delivery model and with a renewed system. However, the <i>Conduct a To-Be Process Analysis</i> project will need to recognize that the implementation of the Integrated Roadmap will take place of the course of several years. As the transition to the new service delivery model will occur first, requiring some modifications to the current technology, interim process flows may need to be created during this project that demonstrate the business processes under the new service delivery model but before the full system renewal has taken place.</p> <p>During the Policy BPR project, Deloitte and CSED completed a review of six primary process areas, which included: Case Initiation, Establishment, Enforcement, Financials, Locate, and Case Management. Within each of these primary process areas 61 subprocesses were reviewed. The current (“as-is”) process for each of the 61 subprocesses was documented, along with identification of pain points associated with the processes and recommendations to address the pain points. The ASDM project also identified significant changes in approach to delivering child support services in Minnesota.</p> <p>The <i>Conduct a To-Be Process Analysis</i> project will define the future (“to-be”) business processes that are required to support CSED’s vision for the future and its strategic objectives (encompassing the changes envisioned in both the Policy BPR and ASDM projects). The criticality and priority of this project is profound as it will define the requirements necessary to implement the proposed projects.</p> <p>This project will be similar in nature to the as-is assessment conducted as a part of the Policy BPR Project and will leverage the as-is process documentation completed during that project. This project will include the following key activities:</p> <ul style="list-style-type: none"> <li>• <b>Validate As-Is Process Flows from Policy BPR Project</b> – The as-is process flows documented in the Policy BPR Project will be reviewed and validated to ensure any recent changes in policy or procedure are captured.</li> <li>• <b>Augment Process Flows based on BPR Recommendations</b> – The recommendations made in the Policy BPR project to address pain points and incorporate best practices in the current process environment will be reviewed. The process flows will be modified to represent the future processes required to incorporate the recommendations.</li> <li>• <b>Conduct Sessions to Create To-Be Process Flows</b> – Similar to the as-is sessions conducted as part of the Policy BPR Project, session participants should represent a cross-section of state and county staff. Feedback collected during work sessions will be incorporated into draft to-be process flows.</li> <li>• <b>Validate and Finalize To-Be Process Flows</b> – The draft to-be process flows will be refined based on stakeholder feedback and validated by session participants and the CSED Project Team.</li> <li>• <b>Conduct Gap Analysis</b> – CSED should use the data gathered throughout the as-is and to-be sessions to identify the difference between where the child support program is today versus where the leadership and staff want it to be in the future under the new service delivery model.</li> </ul>
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## Dependencies, Assumptions, and Notes

### Dependent Projects:

- It is recommended that members of the project teams from the Organizational Design & Workforce Transition thread and the Service Delivery Model Technology thread participate in appropriate to-be process sessions to be able to better inform the changes that will be necessary in their respective threads. As such, it is recommended that the following projects begin shortly after and overlap with the Conduct a To-Be Process Analysis project:
  - *Conduct an Organizational Design Assessment*
  - *Conduct Service Delivery Model Technology Assessment*
- Other projects related to the implementation of a new service delivery model projects are also dependent on the *Conduct a To-Be Process Analysis* project. The to-be process flows documented in this project will be the basis for changes that will need to be incorporated into not only the organizational structure and technology, but also the performance management structure, policies and procedures, and facilities layout. Therefore, this project should be completed prior to the following projects:
  - *Establish Performance Management Framework*
  - *Implement New Processes, Procedures, and Policies*
  - *Transition and Support Workforce*
  - *Implement Service Delivery Model Technology Modifications*
  - *Conduct Facilities Analysis*
  - *Conduct Facilities Build-out*
- The system renewal projects are also dependent on the *Conduct a To-Be Process Analysis* project. The to-be process flows documented in this project will be the basis for the functional requirements of the system renewal projects. Therefore, this project must be completed prior to the following projects:
  - *Implement Enterprise Content Management (ECM)*
  - *Enhance Self Service*
  - *Implement Customer Relationship Management (CRM)*
  - *All five Incremental Renewal projects*

**Table 33: Conduct a To-Be Process Analysis**

### Rationalize Reports

- 180 The objective of the **Rationalize Reports** project is to analyze and assess reports to determine the purpose, delivery mechanism, and validity of each report. This project was considered a “Quick Win” in the Policy BPR Project and was estimated to yield significant savings with relatively low resource costs associated with its implementation. Conducting this project early in Phase 1 will also benefit projects later in the implementation timeline. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

Project Name	Rationalize Reports
Duration	4 – 6 months
Project Phase	Phase 1
Project Origin	Policy BPR
Policy BPR Project ID	19
Project Description	<p>The <b>Rationalize Reports</b> project is a comprehensive effort to assess the current use and practical value of each system generated report. The project would require a focused work group to review the purpose and delivery mechanism for each report that is being produced in the current environment (whether that is via the Data Warehouse, PRISM, or another means).</p> <p>The main purpose of this project is to determine if there is a legitimate business need for each of the reports. This is important for several reasons:</p> <ul style="list-style-type: none"> <li>• There is a real financial cost to maintaining reports. Each time a report is run, processing time and storage space must be allocated to support it.</li> <li>• CSED will want to know the true volume of legitimate reports prior to starting the <i>Improve Reporting Capabilities and Analytics</i> project. It will be important to focus renewal energies only on reports that are needed.</li> </ul>
Dependencies, Assumptions, and Notes	
<p>Dependent Projects:</p> <ul style="list-style-type: none"> <li>• The outcome of this project would feed into the <i>Improve Reporting Capabilities and Analytics</i> project. Therefore, the <i>Rationalize Reports</i> project should be completed prior to the <i>Improve Reporting Capabilities and Analytics</i> project.</li> <li>• In addition, we suggest that this project be complete prior to the five <i>Incremental Renewal</i> projects.</li> </ul>	

**Table 34: Rationalize Reports**

**Improve Federal Performance Measures**

181 The objective of the *Improve Federal Performance Measures* project is to identify, run, and work on targeted queries that improve Federal performance measures. This project was considered a “Quick Win” in the Policy BPR Project and was estimated to yield significant savings with relatively low resource costs associated with its implementation. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

<b>Project Name</b>	<b>Improve Federal Performance Measures</b>
Duration	5 – 6 months
Project Phase	Phase 1
Project Origin	Policy BPR
Policy BPR Project ID	21
Project Description	<p>In 1998, Congress passed the Child Support Performance Incentives Act (CSPIA), which established five primary measures to drive the performance of each state’s child support program. Under CSPIA, Congress created significant incentives for state child support programs to attain high success rates under the measures by allocating federal incentive awards for strong outcomes. The Federal Office of Child Support Enforcement (OCSE) monitors state performance, ensures reliable data, and oversees the distribution of federal incentive dollars based on how well a state ranks compared to the collective performances of all other states. There is a set dollar pool of federal incentives for each fiscal year, and every state competes for its share. This means the incentive amount a state receives is dependent on the state’s performance improvement relative to the overall performance of the other states.</p> <p>The five federal performance measures are:</p> <ul style="list-style-type: none"> <li>• <b>Paternity Establishment</b> - Percentage of children born out-of-wedlock for whom paternity is established. (States may use a statewide standard of all children born out-of-wedlock or a IV-D caseload standard of all children within the state agency’s caseload who need paternity established.)</li> <li>• <b>Support Order Establishment</b> - Percentage of cases with a child support order established.</li> <li>• <b>Collections on Current Support</b> - Percentage of current support owed that is collected when due.</li> <li>• <b>Collections on Arrears</b> - Percentage of arrears cases with arrears collections.</li> <li>• <b>Cost Effectiveness</b> – Total collections compared to total program cost.</li> </ul> <p>Minnesota’s performance growth has remained relatively flat across most of the metrics over the past three federal fiscal years. From FFY2005 to FFY2007, Minnesota has not seen noteworthy growth in any measure, with the exception of a 1% gain in Paying Arrears Cases. The one measure that has seen a downturn is cost effectiveness. This data indicates that Minnesota has performed at nearly the same level in recent years with establishing paternities, establishing support orders and collecting on current and past due child support, but spending more money to do so. This flat performance is critical to Minnesota because federal incentive allocations are based on how well Minnesota does relative to other States. Therefore, it is likely that Minnesota will receive fewer federal incentive dollars in the future if it does not improve its performance beyond the status quo.</p> <p>The <i>Improve Federal Performance Measures</i> project’s objective is to quickly target activities that will improve Minnesota’s federal performance measures. These activities include identifying and running targeted queries to identify cases where focused actions could improve federal performance measures and then taking action on those identified cases to improve the outcomes related to the federal performance measures. Examples of these queries include:</p> <ul style="list-style-type: none"> <li>• Cases with payments on current support but no recent payment on arrears – target those cases where full current support is paid each month without payment on existing arrears</li> </ul>

	<ul style="list-style-type: none"> <li>Cases eligible for case closure</li> </ul>
Dependencies, Assumptions, and Notes	
<p>Notes:</p> <ul style="list-style-type: none"> <li>This project will help inform the <i>Establish Performance Management Framework</i> project, but it is not essential that it be completed before starting work on the framework.</li> <li>CSED will use the existing data warehouse to run queries as required for this project.</li> </ul>	

**Table 35: Improve Federal Performance Measures**

**Conduct Organizational Design Assessment**

182 The objective of the **Conduct Organizational Design Assessment** project is to create a new organizational structure based on the to-be business processes and the future vision of the child support program.

Project Name	Conduct Organizational Design Assessment
Duration	8 – 10 months
Project Phase	Phase 1
Project Origin	ASDM
Project Description	<p>The process of transitioning from a county operated service delivery model to a state operated service delivery model will require a redesign of Minnesota’s child support organizational structure. The <i>Conduct Organizational Design Assessment</i> project will be the first step in this redesign. As the new organizational structure will need to support the future business processes created in the <i>Conduct a To-Be Process Analysis</i> project, it will be important for the <i>Conduct a To-Be Process Analysis</i> project to be started before the <i>Conduct Organizational Design Assessment</i> project begins. The results of these two projects – the to-be process flows and the future organizational structure – are highly interrelated. We recommend that project team members who will be involved in designing the new organizational structure play a role in the <i>Conduct a To-Be Process Analysis</i> project, so as to gain a clear understanding of the future business processes with which the new organizational structure will be aligned. Based on the to-be process flows finalized and documented in the <i>Conduct a To-Be Process Analysis</i> project, the <i>Conduct Organizational Design Assessment</i> project will then design an organizational structure that will support the new business processes. While the Integrated Roadmap illustrates an overlap between these two projects, this is largely to reflect the participation of the Conduct Organizational Design Assessment project team members in creating the to-be process flows.</p> <p><b>Developing Guiding Principles for Organizational Design</b></p> <p>Before commencing organizational design work, it is recommended that a set of organizational design guiding principles be defined. These guiding principles serve as the ground rules for all organizational design decisions to follow. To develop its guiding principles, CSED should identify strategic business drivers, the status of the current business performance, and best practices and previous experiences that are important to the organization. Defining its guiding organizational design principles will assist CSED with resolving the tough decisions that will arise in creating a new organizational structure. These principles also aid in conflict resolution by keeping stakeholders focused on what is truly important to the organization and its stakeholders.</p>

**Conduct the Organizational Design Assessment**

Armed with a set of guiding principles for creating the new organizational design for CSED, the Organizational Design Assessment should be completed. This assessment should include the following components:

- High-Level Organizational Design: Broad view of the organizational structure showing high-level reporting relationships at the strategic level; provides the high-level structure to enable the realization of the operating model
- Detailed Organizational Design: A diagram showing key positions within the organization, their roles / responsibilities, and overall reporting structure
- Classification and Compensation: Approach for determining job classifications and identifying overlaps and gaps between best practices and current practices
- Competency Assessment: Assesses maturity of organizational competencies and fills gaps with new or revised competencies based on organizational need
- Preliminary Job Profiles and Descriptions: Profiles detailing a job's roles / responsibilities, key competencies, reporting relationships, contact points, and performance metrics
- Preliminary Shared Services Career Path Model: Inputs and elements that help define how an employee will progress through an organization

These elements of the Organizational Design Assessment are developed through the application of a defined methodology to understand the current and future organization at a sufficient level of detail. The general steps for completing such an assessment are as follows:

- Review As-Is Organizational Design and To-Be Processes
- Design New Organizational Structure to Align with To-Be Process Flows
- Create New Organizational Structure
- Develop Job Descriptions and Related Activities

In addition to the components above, CSED should develop career path documentation at this stage of the process to identify the growth opportunities from various roles. Factors such as Civil Service rules and regulations, Minnesota Merit System requirements, and union issues encompassing wages, benefits, and working conditions should also be incorporated into CSED's Organizational Design Assessment.

### Dependencies, Assumptions, and Notes

#### Predecessor Projects:

- The to-be process flows will be essential to complete this project. As such, the core activities of this project should not begin until after creation of the to-be flows during the **Conduct a To-Be Process Analysis** project. However, as input from the Organizational Design & Workforce Transition thread will be useful in validating the to-be flows, it is recommended that these projects have some overlap in timing.

#### Dependent Projects:

- To allow for the new processes, procedures, policies, technology, workforce training, and workspaces to reflect the redesigned organizational structure, this project should be completed prior to beginning the following projects:
  - *Implement New Processes, Procedures, and Policies*
  - *Transition and Support Workforce*
  - *Implement Service Delivery Model Technology Modifications*
  - *Conduct Facilities Analysis*
  - *Conduct Facilities Build-out*

**Table 36: Conduct Organizational Design Assessment**

### Conduct Service Delivery Model Technology Assessment

- 183 Implementing a new service delivery model will require some modifications to the current child support systems. While these systems are also the subject of many of the projects that will occur in Phases 2 and 3 of the Integrated Roadmap and will likely result in more substantial and permanent changes later in the implementation timeline, some modifications to the existing systems will be necessary in the interim to transition the program to the new service delivery model. The objective of the **Conduct Service Delivery Model Technology Assessment** project is to identify those modifications which will be necessary specifically to allow for the implementation and operation of the new service delivery model until the full system implementation is complete.

Project Name	Conduct Service Delivery Model Technology Assessment
Duration	7 – 8 months
Project Phase	Phase 1
Project Origin	ASDM
Project Description	<p>The four key systems that support the child support business processes will need to be assessed for alignment with the new service delivery model and for the need to make modifications to the systems to enable the initial transition to the new service delivery model. A key aspect of this project will be to consider the aspects of the existing systems that must be changed to support the new service delivery model while being cognizant that a core aspect of the roadmap includes projects that will ultimately replace PRISM. Therefore, only critical existing functionality should be modified and the full set of needed changes can be made as part of the renewal of the entire statewide computer system.</p> <p><b>PRISM</b></p> <p>The PRISM system will likely represent the system with the largest number of modifications needed to support the new service delivery model. The fact that services will no longer be delivered at the county level but rather at state operated regional offices will require careful analysis of PRISM functionality to see what subsystems are impacted by the transition. In order to expedite this assessment process for PRISM, it is recommended that the staff members doing the assessment participate actively in the to-be process sessions. Doing so will allow them to begin to understand potential changes early on and begin to plan for implementation of the necessary changes.</p> <p><b>Minnesota Child Support Online (MCSO)</b></p> <p>The core functionality that exists on MCSO will likely not be impacted significantly by the change to the State Operated Regional Offices service delivery model. Currently, the majority of the actions that case participants can take on MCSO are related to obtaining information about account balances, payments, pending events, and activity history associated with a case. These types of capabilities should not be impacted if a case is being handled by a regional office instead of a county office.</p> <p>The main DHS website also has a child support section that provides static information about the child support program. This DHS website is linked to MCSO and vice versa. This website will also need to be evaluated to determine what changes need to be made. For example, there is a map that shows the various child support offices and provides contact information for each one. This type of information will need to be updated to reflect the new office structure of the state operated program.</p> <p>Another consideration to be made during this assessment period is to account for the 18 counties that currently have websites that provide child support specific information. It will be important during the Service Delivery Model Technology Assessment to account for each of these and create an inventory of all of the websites that will need to be shut-down.</p> <p><b>Integrated Voice Response (IVR)</b></p> <p>The IVR includes seven separate applications (phone lines) with unique scripts designed to support different types of callers. Each one of these lines will need to be assessed to determine if modifications to scripts are necessary.</p> <p>We do not anticipate that there will be significant changes to most of the IVR scripts and capabilities. One area that will need to be addressed across all lines will be related to the case contact information provided. However, if this information is pulled directly from PRISM, and PRISM</p>

	<p>reflects these changes, then this will be addressed during the PRISM modifications.</p> <p><b>Data Warehouse</b></p> <p>As part of the Service Delivery Model Technology Assessment, the reports associated with the data warehouse will need to be evaluated to determine if the transition to a new service delivery model affects the way in which it provides data to the various reporting mechanisms. Furthermore, each of the reports that are generated will need to be assessed to determine if the layout and logic should be changed to align with the new service delivery model. During this assessment effort, there may be reports found that will no longer be required in the new model. Conversely, new reports could potentially be identified that should be developed to support the management of the new model.</p>
<p><b>Dependencies, Assumptions, and Notes</b></p>	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>The to-be process flows will be essential in fulfilling this project. As such, the core activities of this project should not begin until after creation of the to-be flows during the <i>Conduct a To-Be Process Analysis</i> project. However, as input from the Service Delivery Model Technology thread will be useful in validating the to-be flows, it is recommended that these projects have some overlap in timing.</li> </ul> <p><b>Dependent Projects:</b></p> <ul style="list-style-type: none"> <li>To allow for the program's technology needs to be reflected in the structure of the workspace, the documentation of the processes, procedures and policies, and the training of the workforce, this project should be completed prior to the following projects:             <ul style="list-style-type: none"> <li><i>Conduct Facilities Analysis</i></li> <li><i>Conduct Facilities Build-out</i></li> <li><i>Implement New Processes, Procedures, and Policies</i></li> <li><i>Transition and Support Workforce</i></li> </ul> </li> <li>As this project will identify the service delivery model technology modifications that will be necessary, this project should also be completed prior to the <i>Implement Service Delivery Model Technology Modifications</i> project.</li> </ul> <p><b>Notes:</b></p> <ul style="list-style-type: none"> <li>The assessment of the data warehouse reports will be similar in nature to the activities performed in the <i>Rationalize Reports</i> project. Depending on the timing of these projects, syncing up the data warehouse activities within this project and the activities within the <i>Rationalize Reports</i> project can reduce the resources necessary to complete both.</li> </ul>	

**Table 37: Conduct Service Delivery Model Technology Assessment**

**Improve Data Quality**

184 The objective of the *Improve Data Quality* project is to set up a governance framework, assess data quality, develop and prioritize data clean-up lists, coordinate case and member data clean-up, and monitor results. Initial cost and benefit estimates are included in the *Final Report and*

Roadmap (Deliverable #4) of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

<b>Project Name</b>	<b>Improve Data Quality</b>
Duration	10 – 12 months
Project Phase	Phase 1
Project Origin	Policy BPR
Policy BPR Project ID	5
Project Description	<p>Data quality and integrity is an underlying foundation of any child support system. System activities are initiated and decision making is based on specific data elements. Caseworkers currently report a lack of confidence in the accuracy and validity of some PRISM data. There are instances of duplicate data elements for, as well as duplicate cases in, PRISM. In addition, the system contains some outdated and inaccurate data regarding participants. Due to the data maintained in the system, duplicate person and case match errors occur. Since there is a lack of confidence with some system data, staff spend a considerable amount of time filtering through data contained on PRISM to determine what is accurate and valid in order to complete critical child support activities. To improve data quality, a data management group will be implemented to manage report requests, data quality analysis and integrity, and information management analysis.</p> <p>CSED currently responds to a number of county requests for specific reports and file extracts. Implementing a data management request tool, supported by a data management group, will provide the capability to analyze these requests to determine the level of additional reports and ad-hoc reports that are needed to respond to the county requests.</p> <p>The <b>Improve Data Quality</b> project involves three key objectives:</p> <ul style="list-style-type: none"> <li>• Implementing data management</li> <li>• Improving master data management</li> <li>• Creating a strategy for data management</li> </ul> <p><b>Implementing Data Management</b></p> <p>Because many of the projects on the Integrated Roadmap depend on clean and reliable data, implementing data management is an important activity. An example of data that may require additional management and clean-up includes employer-related information. In many child support systems, creating a master data record of clean employers, addresses, and employees which are employed by an employer is very challenging. The most complicated quality efforts within child support systems include employers, participant addresses, medical providers/insurance, and participant data such as date of birth, social security numbers, and names.</p> <p><b>Improving Master Data Management</b></p> <p>Master data management (MDM) is a process that spans all business processes and application systems enabling the ability to create, store, maintain, exchange, and synchronize a consistent, accurate, and timely “system of record” for core business entities such as members, employers, insurance companies, attorneys, etc. Developing a strategy for managing master data will help alleviate some of the data quality and integrity related pain points. MDM will provide consistent and comprehensive core information across the system landscape. MDM will also lay the</p>

	<p>foundation for providing better performance and process improvement, and assisting with regulatory requirements.</p> <p><b>Creating a Strategy for Data Management</b></p> <p>Effective data quality management requires creating an integrated strategy covering the following four areas:</p> <ol style="list-style-type: none"> <li>1. Governance Process – This addresses the following common issues: <ul style="list-style-type: none"> <li>• Data management tends to be fragmented or undefined across business processes</li> <li>• Organizations lack a defined data governance model that adequately addresses the following aspects of data governance – ownership (who owns the data?), measurement (who measures the data?), and accountability (who is accountable for the data?)</li> </ul> </li> <li>2. Standardization Process – This addresses the following common issues: <ul style="list-style-type: none"> <li>• Lack of defined data quality requirements</li> <li>• Definitions of data and the approaches to data modeling and database development are not well defined</li> <li>• Data repositories within the applications are in silos</li> <li>• No defined, centralized, and deployable data quality standards, processes, or auditing</li> </ul> </li> <li>3. Clean-up Process – This addresses the following common issues: <ul style="list-style-type: none"> <li>• Duplicate person and case information in the system</li> <li>• Unreliable employer data, medical providers/insurance data, and person data such as date of birth, social security numbers, and names</li> </ul> </li> <li>4. Monitoring Process – This addresses the following common issues: <ul style="list-style-type: none"> <li>• Poorly defined roles and responsibilities for ensuring ongoing data quality management and monitoring</li> <li>• Inadequate management processes in place across the enterprise to monitor the quality of data consistently and continuously across business processes and over time</li> <li>• Lack of well-defined approaches to apply data quality analysis and metrics to monitor results</li> </ul> </li> </ol>
Dependencies, Assumptions, and Notes	
<p><b>Dependent Projects:</b></p> <ul style="list-style-type: none"> <li>• This project should be completed in Phase 1 because, regardless of the future architecture, clean data is critical to the data conversion efforts in any systems work. We especially note that clean data will be critical during the data conversion efforts of the five <i>Incremental Renewal</i> projects and suggest that this project be completed prior to beginning the <i>Incremental Renewal</i> projects. The cost and effort estimates for the clean-up activities specific to deployment of each <i>Incremental Renewal</i> project are included within that specific <i>Incremental Renewal</i> project.</li> </ul> <p><b>Notes:</b></p> <ul style="list-style-type: none"> <li>• This project should be continuous throughout the life of the system. Once data has been cleansed, tools and processes need to be in place to maintain the integrity of the data.</li> </ul>	

**Table 38: Improve Data Quality**

**Establish Performance Management Framework**

185 Establishing a performance management framework has been presented as a critical element of both the ASDM and Policy BPR projects. Determining a single framework and set of metrics that can be used to measure performance under the new service delivery model and with the recommended Policy BPR changes will be a fundamental aspect of achieving the future vision of the child support program. The objective of the **Establish Performance Management Framework** project is to define and build a performance management framework tailored to the program’s needs, and design a set of metrics that address performance in key areas and are focused on achieving the outcomes sought by the program.

Project Name	Establish Performance Management Framework
Duration	8 – 10 months
Project Phase	Phase 1
Project Origin	Combined ASDM and Policy BPR
Policy BPR Project ID	7
Project Description	<p>As CSED moves toward the future vision of the child support program, it is essential that the transition include a well designed performance management approach and effort. The performance management framework should start with CSED’s vision, mission, and strategic objectives as inputs. The framework should address all aspects of the organization, including process design, technology, structure and culture, operations, and human resources policies. CSED will need to design metrics that address performance in each of these areas and are focused on achieving the outcomes sought by the program. In addition to identifying its metrics, CSED will need to dedicate sufficient effort to the establishment of the actual goals and measurement definitions associated with each of these measures.</p> <p>During this project, CSED should design a conceptual performance management framework tailored to its needs. Then, it should identify Key Performance Indicators (KPIs) or measures that are broken down into the following:</p> <ul style="list-style-type: none"> <li>• Balanced scorecard metrics</li> <li>• Service Level Agreement (SLA) metrics</li> <li>• CSED internal metrics</li> </ul> <p><b>Balanced Scorecard Metrics</b></p> <p>Balanced scorecard metrics are higher level metrics used to provide a comprehensive enterprise view of performance. They are populated into a model that calculates the results. The balanced scorecard is then shared / distributed to the stakeholders. The KPIs in a balanced scorecard are typically aligned to four key areas / quadrants within a balanced scorecard:</p> <ul style="list-style-type: none"> <li>• Operational Excellence</li> <li>• Financials</li> <li>• Customer Satisfaction</li> <li>• Employer of Choice</li> </ul>

	<p><b>Service Level Agreement (SLA) Metrics</b></p> <p>SLA metrics are bi-directional metrics aligned to the current process split of responsibility and underscore the shared accountability between CSED and the program's service providers. They provide visibility into CSED's ability to meet its service expectations and process commitments. SLA metrics are shared / distributed to the participating service providers. The key elements of an SLA include:</p> <ul style="list-style-type: none"> <li>• Roles and Responsibilities</li> <li>• Issue Resolution</li> <li>• Chargeback / Cost Allocation Approach</li> <li>• SLA Reviews</li> <li>• Scope of Services             <ul style="list-style-type: none"> <li>○ Service Responsibility Matrix</li> <li>○ Performance Metrics and Reporting</li> </ul> </li> </ul> <p><b>CSED Internal Metrics</b></p> <p>CSED internal metrics are granular metrics used to gauge efficiency and quality of transaction processing. They provide visibility into why a specific SLA target may have not been met (i.e., error rates or turnaround time) and they can be used by the CSED process teams and the CSED leadership to uncover performance issues and recommend continuous improvement initiatives. These metrics will provide CSED with data to track its performance and often help to inform the metrics that are publicly shared.</p>
Dependencies, Assumptions, and Notes	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>• To effectively incorporate the vision, goals, and to-be business processes of the new child support program into the new performance management framework, this project should begin after the completion of the <i>Conduct a To-Be Process Analysis</i> project.</li> <li>• It can also be informed by the <i>Improve Federal Performance Measures</i> project but it is not essential that it occur afterwards.</li> </ul> <p><b>Dependent Projects:</b></p> <ul style="list-style-type: none"> <li>• To effectively implement the program's new processes, procedures, and policies, and to allow for the technology and organizational structure to effectively support the successful operation of the program, this project should be completed prior to beginning the following projects:             <ul style="list-style-type: none"> <li>○ <i>Implement New Processes, Procedures, and Policies</i></li> <li>○ <i>Transition and Support Workforce</i></li> <li>○ <i>Implement Service Delivery Model Technology Modifications</i></li> </ul> </li> </ul>	

**Table 39: Establish Performance Management Framework**

**Establish Technical Infrastructure**

186 The objective of the **Establish Technical Infrastructure** project is to establish an IT governance framework and define the technical architecture and tools that will be used for the future system, as well as establish the technical standards required for system renewal. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

<b>Project Name</b>	<b>Establish Technical Infrastructure</b>
Duration	6 – 9 months
Project Phase	Phase 1
Project Origin	Policy BPR
Policy BPR Project ID	4
Project Description	<p>The <b>Establish Technical Infrastructure</b> project will establish an IT governance framework, define the technical architecture and tools that will be used for the future system, and establish the technical standards required for system renewal. This includes three key activities as defined below.</p> <p><b>Future Technical Architecture</b></p> <p>Prior to beginning the effort of renewing the child support system, CSED will need to go through the process of identifying the technical architecture that will be used going forward. Having a clear understanding of the platform that will be used will be a critical input into understanding project costs, staffing requirements, and to what extent the to-be business vision can be supported via the automated system. CSED will need to work closely with DHS IT leadership to make sure that the future technical architecture is aligned with the DHS Enterprise Architecture requirements that are currently being designed.</p> <p>Deliverables will include:</p> <ul style="list-style-type: none"> <li>• List of software, hardware and other tools that will be needed to support the system renewal projects</li> <li>• Procurement strategy for obtaining the required software, hardware and other tools</li> </ul> <p><b>SDLC Standards, Processes and Tools</b></p> <p>The SDLC (Software / System Development Life Cycle) that will be used as the vehicle for the system renewal will be defined. Aspects of the SDLC include requirements definition, functional and technical design, programming, testing, user and technical training and system maintenance. Examples of the types of SDLC methodologies include linear (waterfall), rapid application development (RAD), joint application development (JAD), prototyping model, fountain model, and the spiral model. This project will help CSED select the SDLC methods that best align with the selected technical architecture, CSED staff experience, and budget considerations.</p> <p>Deliverables will include:</p> <ul style="list-style-type: none"> <li>• Finalized SDLC templates and processes based on the selected tools</li> <li>• Development and technical design</li> <li>• Training sessions identified, developed, and delivered for:</li> </ul>

	<ul style="list-style-type: none"> <li>○ SDLC templates, processes, and standards</li> <li>○ Development and modeling tools that support the Requirements and Design phases</li> <li>○ Understanding how the tools are customized and their administration requirements</li> </ul> <p><b>Technical Governance Framework</b></p> <p>The technical governance structure and corresponding processes, policies, standards, and guidelines for the projects will be developed and linked to the corollary projects of the broader effort. The governance board will address issues related to renewing the system’s architecture and technology, as well as providing a conduit to help manage the interaction of the program with project teams, deliverables, and/or products. The governance board will be aligned with, and in many cases dependent upon, the roll-out of the organizational structure and the implementation of the IT infrastructure for the Integrated Roadmap Phase 2 projects.</p> <p>Deliverables will include:</p> <ul style="list-style-type: none"> <li>● Role descriptions</li> <li>● Project on-boarding and role-specific training plans and materials</li> <li>● Technical governance process training</li> <li>● Technical governance tools training</li> <li>● Operational processes and guidelines for executing the governance framework</li> <li>● Definition and maintenance processes for technical and operational standards, policies, guidelines, and metrics</li> <li>● Coding guidelines and patterns</li> </ul>
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**Dependencies, Assumptions, and Notes**

**Dependent Projects:**

- The system renewal projects are dependent on the *Establish Technical Infrastructure* project. The standards, processes, and tools defined and implemented in this project will be required for the system renewal projects. Therefore, this project must be completed prior to the following projects:
  - *Implement Enterprise Content Management (ECM)*
  - *Improve Reporting Capabilities and Analytics*
  - *Implement Customer Relationship Management (CRM)*
  - *Assess and Plan for Security Management*
  - All five *Incremental Renewal* projects
- In addition, we suggest that this project also be completed prior to the *Enhance Self Service* project.

**Notes:**

- CSED will work closely with DHS IT leadership to incorporate the DHS Enterprise vision into the selection of the future technical architecture and the SDLC and governance structure that will be used to support it.

**Table 40: Establish Technical Infrastructure**

**Conduct Implementation Readiness Assessments (IRAs)**

187 The objective of the **Conduct Implementation Readiness Assessments (IRAs)** project is to define project scope, conceptual design, feasibility evaluation, cost / benefit analysis, and project plan for the system renewal projects in order to help CSED make informed decisions about how to pursue each project in the future. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

Project Name	Conduct Implementation Readiness Assessments
Duration	10 – 12 months
Project Phase	Phase 1
Project Origin	Policy BPR
Policy BPR Project ID	6
Project Description	<p>A subset of the projects in the Integrated Roadmap were identified as requiring additional information in order to help CSED make informed decisions about how to pursue each project in the future. These projects are the subject of the Implementation Readiness Assessments. The findings are documented in the Implementation Readiness Assessment deliverables. These deliverables will serve as reference documents for CSED during the decision-making process about how best to approach implementation of the Integrated Roadmap projects. The Implementation Readiness Assessment deliverables will include:</p> <ul style="list-style-type: none"> <li>• <b>Scope Definitions:</b> The project scope from the project profiles will be further defined during the assessment. For each project, the exact activities that will be completed as part of the project will be clearly defined. In addition, activities that are out of scope of the project will be highlighted.</li> <li>• <b>High-level Conceptual Designs:</b> The conceptual design is a graphical representation (i.e., process flow or other visual) of the project that will provide CSED with a high-level understanding of the project scope and the responsibilities of the various CSED groups within the process. The conceptual designs will be based on general business requirements as opposed to more detailed business requirements gathered during the actual projects (i.e., Joint Application Design (JAD) sessions).</li> <li>• <b>Feasibility Evaluations:</b> A feasibility evaluation is a preliminary study undertaken to determine and document a project’s viability within an organization. During the feasibility evaluation, the team will identify the constraints, risks, resources, timing, and project dependencies related to each project.</li> <li>• <b>Cost / Benefit Analysis:</b> The initial cost benefit analysis (CBA) and accompanying return on investment (ROI) calculation prepared for each project will be further refined and validated based on the scope definition and high-level conceptual design.</li> <li>• <b>Project Plans:</b> A detailed project plan including resource requirements, duration, etc. will be developed for each project based on the scope definitions and high-level conceptual designs.</li> </ul> <p>The following nine projects will be the subject of the Conduct Implementation Readiness Assessments:</p> <ul style="list-style-type: none"> <li>• <i>Implement Enterprise Content Management (ECM)</i></li> <li>• <i>Improve Reporting Capabilities and Analytics</i></li> </ul>

	<ul style="list-style-type: none"> <li>• <i>Enhance Self Service</i></li> <li>• <i>Assess and Plan Security Management</i></li> <li>• <i>Implement Customer Relationship Management (CRM)</i></li> <li>• <i>Incremental Renewal – Case Initiation</i></li> <li>• <i>Incremental Renewal – Locate</i></li> <li>• <i>Incremental Renewal – Establishment</i></li> <li>• <i>Incremental Renewal – Enforcement</i></li> <li>• <i>Incremental Renewal – Financials</i></li> </ul>
<b>Dependencies, Assumptions, and Notes</b>	
<p><b>Dependent Projects:</b></p> <ul style="list-style-type: none"> <li>• The system renewal projects and other technology projects are dependent on the <i>Conduct Implementation Readiness Assessments (IRAs)</i> project. These projects are dependent on the information collected and presented during this project. Therefore, this project must be completed prior to the following projects:             <ul style="list-style-type: none"> <li>○ <i>Implement Enterprise Content Management (ECM)</i></li> <li>○ <i>Implement Customer Relationship Management (CRM)</i></li> <li>○ <i>Improve Reporting Capabilities and Analytics</i></li> <li>○ <i>Assess and Plan for Security Management</i></li> <li>○ <i>Enhance Self Service</i></li> <li>○ All five <i>Incremental Renewal</i> projects</li> </ul> </li> </ul>	

**Table 41: Conduct Implementation Readiness Assessments (IRAs)**

**Enhance IWO Processes**

188 The objective of the *Enhance IWO Processes* project is to resend Income Withholding Orders (IWOs) on cases for which collections are not being received, but that have an active employment record and an income withholding record, and to centralize IWO printing (assuming that the related policy is modified). This project was considered a “Quick Win” in the Policy BPR Project and was estimated to yield significant savings with relatively low resource costs associated with its implementation. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

Project Name	Enhance IWO Processes
Duration	3 – 6 months
Project Phase	Phase 1
Project Origin	Policy BPR

Policy BPR Project ID	20
Project Description	<p>Income Withholding is the enforcement method that withholds a portion of the NCP's wages to satisfy the child support obligation. Income Withholding Orders (IWOs) instruct the employer to withhold and forward to the program a specific amount of the NCP wage to satisfy the support obligation. The <i>Enhance IWO Processes</i> project includes:</p> <ul style="list-style-type: none"> <li>• Resend IWOs</li> <li>• Centralize IWO Printing</li> </ul> <p><b>Resend IWOs</b></p> <p>As of February 2009, 12,394 cases have an active income withholding order record, an active employer record, and no record of a collection from an employer source for the past six months. Given an active employer and an IWO, this population of cases should be actively providing regular payments on support orders, but are not. We understand that there might be some legitimate reasons for payments not coming in, but based on experience in other states, it is estimated that a fair number of these IWOs were not mailed or the NCP is no longer employed, and thus the employment record is inaccurate or, potentially, some employers may be not complying with the IWO. Regardless of the reason, this represents a loss of potential collections for the child support program and families, also impacting the overall cost effectiveness of the child support program. To increase collections on these cases, the Enhance IWO Processes project involves regenerating and resending IWOs on cases that have an active employment record and income withholding record, and for which collections are not being received. It further includes the monitoring of these cases to determine if payments are received and subsequent follow-up to employers when appropriate to determine why payments are not being made.</p> <p><b>Centralize IWO Printing</b></p> <p>Currently, income withholding notices are generated locally at the county offices and manually reviewed before sending the notices to the employer. This manual review often delays the mailing of the income withholding notice. Often the income withholding notices are manually modified or replaced with edited notices, usually to accommodate the terms of a court order that varies from the system generated income withholding notices. As a result, the record of the income withholding notices in PRISM may not reflect these manual modifications. Additionally, when new IWOs are issued as a result of a COLA adjustment, the withholding amounts in the notice will not reflect the manual modifications which lead to customer service issues with the employer and the NCP. To address these pain points and manual work arounds, this project will centralize the printing of income withholding notices at the State office.</p>
Dependencies, Assumptions, and Notes	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>• A policy change would be required to centralize the IWO printing as part of this project. All policy changes will be planned for and implemented as part of the <i>Develop Strategy to Manage Legislative, Policy, and Federal Changes</i> project, which should be underway prior to the commencement of this project.</li> </ul>	

**Table 42: Enhance IWO Processes**

## Phase 2 Projects

189 We estimate that Phase 2 will take CSED approximately two and a half years to complete. During this phase, the transition to the State Operated Regional Offices service delivery model will be fully completed, several of the Policy BPR projects will be completed, and incremental system renewal of the core child support processes will begin. This phase will require a heavy investment of time and resources by CSED, as multiple ASDM and Policy BPR projects will be running concurrently. While there will be dependencies between the projects, there will not be any combined projects during this phase. Descriptions of the Phase 2 projects follow.

190 Phase 2 projects include:

- ***Implement New Processes, Procedures, and Policies***
- ***Transition and Support Workforce***
- ***Implement Service Delivery Model Technology Modifications***
- ***Assess and Plan for Security Management***
- ***Implement Enterprise Content Management (ECM)***
- ***Implement Customer Relationship Management (CRM)***
- ***Incremental Renewal – Case Initiation***
- ***Conduct Facilities Analysis***
- ***Conduct Facilities Build-out***
- ***Enhance Self Service***
- ***Incremental Renewal – Locate***
- ***Improve Reporting Capabilities and Analytics***

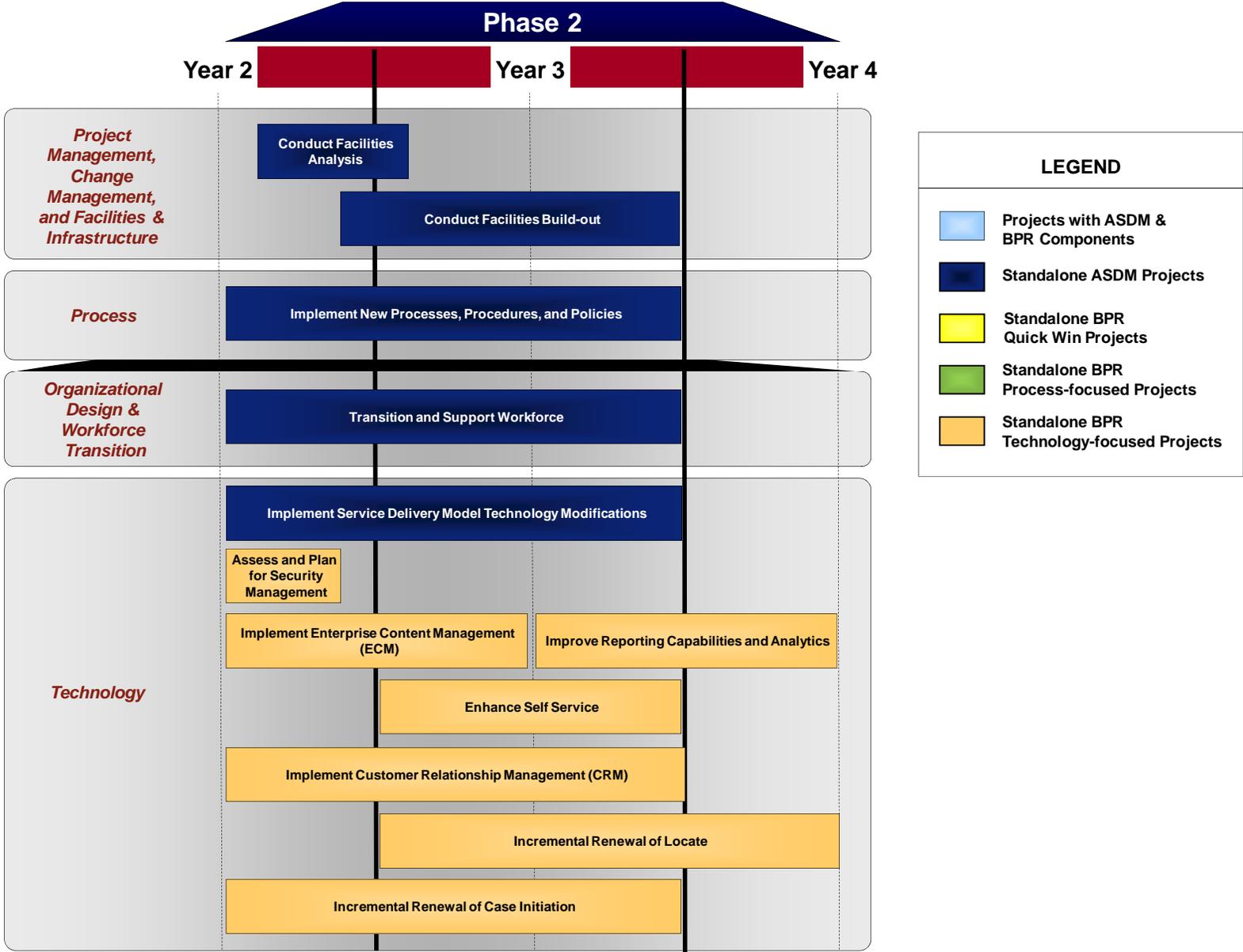


Figure 30: Phase 2 Integrated Roadmap Projects

**Implement New Processes, Procedures, and Policies**

191 The objectives of the **Implement New Processes, Procedures, and Policies** project are to formally document and implement the changes associated with the new service delivery model and to-be business processes. This will foster the consistent institution and application of these processes, policies, and procedures throughout the transition to the new service delivery model and will mitigate deviation from the new, standardized way of delivering services.

Project Name	Implement New Processes, Procedures, and Policies
Duration	16 – 18 months
Project Phase	Phase 2
Project Origin	ASDM
Project Description	<p>One of the first Phase 2 steps for transitioning the child support program to the new service delivery model is the development of detailed documentation of process, procedure, and policy changes associated with the new service delivery model and to-be business processes. While high-level policy and legislative changes will be analyzed and addressed during Phase 1, CSED will need to undertake a detailed analysis of policies and procedures to identify and develop the planned changes. This analysis will draw upon each of the Phase 1 projects, identifying process, technology, and organization policy and procedure impacts. In addition, CSED should hold sessions to gather the business process expertise of state and county line staff and first-line supervisors across the different process areas.</p> <p>The activities to complete this project should include:</p> <ul style="list-style-type: none"> <li>• Creation of detailed step-by-step procedures for each approved process area</li> <li>• Identification of any additional legislation / policy changes required based on new processes</li> </ul> <p>Based on the to-be business designs and planned changes, detailed procedures outlining the step-by-step activities to be performed in the new business processes should be created. Given that system renewal activities will take place over several years, the to-be process documentation should identify the implications of the timelines and the impacts on interim business processes. Existing procedure manuals should be updated for new process changes that are modified by the to-be design. In addition, new procedure manuals should be created for new processes that do not exist in the current environment. A procedures manual should include the following:</p> <ul style="list-style-type: none"> <li>• Description of the business process (e.g., application request)</li> <li>• Description of task steps to complete the business process (system and non-system steps) represented as a business process flow diagram</li> <li>• Step-by-step instruction on how to complete the process steps</li> </ul> <p>Typical detailed section headers for the procedure manuals, built directly from the to-be documentation, may include the following for each subprocess area:</p> <ul style="list-style-type: none"> <li>• Purpose – describes the purpose of the business process area to which the procedures apply</li> <li>• Scope – outlines the scope for the procedure manual</li> <li>• Process Description – provides an overview of the processes in scope</li> <li>• Process Flow – includes a visual depiction of the business process</li> <li>• Process Inputs – outlines the entry points for the process</li> </ul>

	<ul style="list-style-type: none"> <li>• Process Outputs – outlines the links to other processes and the results of the process</li> <li>• Policy – identifies key policy implications of the process and procedures</li> <li>• Roles and Responsibility – notes responsibility for performing the procedures</li> <li>• Procedures – documents specific to-be procedures for the processes in scope</li> <li>• Exceptions – identifies known exceptions to the procedures</li> <li>• System Access – documents system access needs for completion of procedures</li> <li>• Procedure Owner – identifies the procedure owner</li> </ul> <p>To the extent that additional policy and / or legislative changes are identified during the development of detailed procedures, they should be documented, escalated for CSED’s resolution, and formally tracked for follow-up.</p>
<b>Dependencies, Assumptions, and Notes</b>	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>• To allow for the thorough documentation of all new processes, procedures, and policies that will have been established, this project must take place after the completion of the following projects:             <ul style="list-style-type: none"> <li>○ <i>Develop Strategy to Manage Legislative, Policy, and Federal Changes</i></li> <li>○ <i>Conduct a To-Be Process Analysis</i></li> </ul> </li> </ul>	

**Table 43: Implement New Processes, Procedures, and Policies**

**Transition and Support Workforce**

192 The objective of the **Transition and Support Workforce** project is to transition, train, and support staff to operate within the new organizational structure and under the new service delivery model.

<b>Project Name</b>	<b>Transition and Support Workforce</b>
Duration	16 – 18 months
Project Phase	Phase 2
Project Origin	ASDM
Project Description	The <b>Transition and Support Workforce</b> project will build upon the output of the <b>Conduct Organizational Design Assessment</b> project conducted in Phase 1. The <b>Conduct Organizational Design Assessment</b> project will result in the creation of a new organizational structure that will enable the delivery of services under the new service delivery model. Transitioning the workforce to this new organizational structure will be the next step in the implementation of the new service delivery model. Creating a Workforce Transition Plan will be an important aspect of this project, as it will allow CSED to plan for the critical elements of the transition. After assessing the staffing gaps that exist between the current organizational structure and the new organizational structure, CSED should develop its Workforce Transition Plan by completing the following activities:

	<ul style="list-style-type: none"> <li>• Identify Positions, Impacts, and Job Classifications</li> <li>• Reconcile County Staff with State Positions and Create Retention Policy</li> <li>• Identify Labor Union and Merit System Issues</li> <li>• Identify HR Transition Issues and Policy Differences</li> <li>• Define On-boarding Procedures</li> <li>• Design Knowledge Transfer Plan</li> <li>• Create Training Plan</li> </ul> <p>Training will be an essential aspect of this project. Creating a formal Training Plan as part of the Workforce Transition Plan will assist CSED in preparing and delivering effective trainings to its workforce. The core elements of an effective Training Plan are as follows:</p> <ul style="list-style-type: none"> <li>• Training scope</li> <li>• End-user training needs</li> <li>• Training curriculum</li> <li>• Training delivery methods</li> <li>• Training materials development</li> <li>• Training infrastructure</li> <li>• Training delivery</li> <li>• Subject matter expert involvement</li> <li>• Plan Maintenance</li> </ul> <p>Throughout the transition to the new service delivery model, CSED should carefully monitor the support and training provided to the child support workforce. Ultimately, it is the people within the child support program who provide services to the program’s customers. As such, CSED should take great care in assisting these individuals’ transition to the new business processes and organizational structure brought about by the implementation of the new service delivery model. This training and support should continue on after the transition to the new service delivery model to encompass training and supporting the workforce through the ongoing system replacement implementations.</p>
Dependencies, Assumptions, and Notes	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>• This project should be conducted after the completion of <i>Conduct Organizational Design Assessment</i> project.</li> </ul>	

**Table 44: Transition and Support Workforce**

**Implement Service Delivery Model Technology Modifications**

193 The objective of this project is to plan for and implement system modifications that will be necessary to transition to the new service delivery model. While these may be interim modifications until larger system replacement solutions are implemented, planning for and implementing these changes will enable the operation of the program under the new service delivery model.

<b>Project Name</b>	<b>Implement Service Delivery Model Technology Modifications</b>
Duration	16 – 18 months
Project Phase	Phase 2
Project Origin	ASDM
Project Description	<p>Following the assessment of the core technology systems and the identification of the gaps that exist between the current systems and the to-be process models, CSED will need to develop a plan for making any required interim modifications to the systems to allow for the implementation of the new service delivery model while the ongoing Integrated Roadmap system replacement projects continue throughout the implementation timeline. CSED will need to prioritize the changes and identify the resources to manage and implement the changes.</p> <p>Implementation of the necessary modifications may be planned for and executed according to the system development lifecycle (SDLC) for software creation and modification that will be defined for the system replacement projects during the <i>Establish Technical Infrastructure</i> project. Alternatively, however, depending on the extent of the needed changes and the duration that the modifications would be active based on the remainder of the system replacement timeline, CSED may choose an alternate software development method that could accelerate the time required to go-live with the system enhancements.</p> <p>Regardless of the method used to implement the changes, the following steps will likely need to occur:</p> <ul style="list-style-type: none"> <li>• Analysis of user requirements</li> <li>• Program design</li> <li>• Documentation and testing</li> <li>• Operating and maintaining the system</li> </ul>
<b>Dependencies, Assumptions, and Notes</b>	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>• This project should be conducted after the completion of the following projects: <ul style="list-style-type: none"> <li>○ Conduct Service Delivery Model Technology Assessment</li> <li>○ Establish <i>Technical Infrastructure</i></li> </ul> </li> </ul>	

**Table 45: Implement Service Delivery Model Technology Modifications**

**Assess and Plan for Security Management**

The objective of the **Assess and Plan for Security Management** project is to develop a plan for security management that will help CSED define how security standards will be implemented and maintained. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

Project Name	Assess and Plan for Security Management
Duration	4 – 6 months
Project Phase	Phase 2
Project Origin	Policy BPR
Policy BPR Project ID	13
Project Description	<p>Every technology-related strategic initiative has significant security management considerations, and a strong security management framework is a key element of any technical solution. The development of such a plan and then the implementation of the components of the plan as part of each system integration project will help CSED ensure the child support data will not be accessed by those who do not have the proper authorization. Having a plan for security management will also help CSED define how security standards will be implemented and maintained.</p> <p>A core component of security management is identity management. As such, an Identity and Access Management (IAM) solution fits within a security management plan. The benefit of implementing IAM is that it provides users with timely and secure access to applications while reducing risk through accurate reporting of user privileges and accesses. CSED will need to determine if it will continue to use the DHS standard, Oracle Identity Manager, or if it will use a different solution based upon the needs of the renewed system.</p> <p>Because IAM efforts vary greatly in complexity and duration, an initial IAM assessment is recommended in order to appropriately define the scope of work, resource requirements, and schedule for the overall work that will be required to support the various projects. Then for each new technology solution that moves forward, further assessment would need to occur to include:</p> <ul style="list-style-type: none"> <li>• Project alignment with CSED standards and policies for identity and access management</li> <li>• Definition of high level functional requirements for the various user types (program staff, employers, customers, etc.) of the IAM solution</li> <li>• Specific review of internal and external user access control and self service requirements</li> <li>• Definition of specific systems and applications to be integrated within the scope of the IAM solution</li> <li>• Recommendation for segmenting the project into multiple technological implementation phases as needed</li> <li>• Risk analysis and risk remediation recommendations</li> </ul>

Dependencies, Assumptions, and Notes
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>The <i>Develop a Strategy to Manage Legislative, Policy, and Federal Changes</i>, <i>Establish Technical Infrastructure</i>, and <i>Establish Governance Structure</i> projects must be completed prior to this project.</li> <li>In addition, we suggest the <i>Conduct Implementation Readiness Assessments (IRAs)</i> project be completed prior to this project.</li> </ul> <p><b>Dependent Projects:</b></p> <ul style="list-style-type: none"> <li>The <i>Incremental Renewals</i>, <i>Enhance Self Service</i>, <i>Implement Enterprise Content Management (ECM)</i>, and <i>Improve Reporting Capabilities and Analytics</i> projects' user access management requirements will all have unique security requirements that will be defined at the time that each project is being conducted. Each project's requirements will need to be aligned with the security plan that is developed in this project.</li> </ul>

**Table 46: Assess and Plan for Security Management**

**Implement Enterprise Content Management (ECM)**

194 The objective of the **Implement Enterprise Content Management (ECM)** project is to implement a software solution that enables document imaging, electronic case file, inbound and outbound document management, and enhanced forms management. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

Project Name	Implement Enterprise Content Management (ECM)
Duration	9 – 12 months
Project Phase	Phase 2
Project Origin	Policy BPR
Policy BPR Project ID	9
Project Description	<p>The current management of paper-based case files leads to inefficiencies in operations of daily child support activities. With the exception of one county, all inbound documents are manually processed and stored in traditional paper files. For outbound documents, there is no image created of any document generated via the PRISM system. PRISM has the capabilities to recreate a previously generated notice but not display the actual one that was generated. More importantly, off-line documents that are being generated are not being stored anywhere other than in a summary CAAD note or in the paper file. In short, there is no efficient way to view the documentation that is related to a child support case.</p> <p>With the large volume of paper documents generated from PRISM and the overwhelming amount of inbound correspondence received daily, improvements in these areas will greatly reduce the staff time currently expended in the reliance on a paper-based system.</p> <p>The <b>Implement Enterprise Content Management (ECM)</b> project includes the implementation of an ECM system that includes document imaging, electronic case file, an inbound and outbound document management process, and enhanced forms management. Listed below are details of the</p>

elements included in the ECM project.

**Implementing Document Management**

Document management captures, tracks, and stores electronic documents and electronic images of paper documents. Images of paper documents are captured using scanners or multifunction printer/copiers. Optical character recognition (OCR) software can be used to convert these digital images into machine-readable text. Many document management systems can integrate document management directly into other applications, so that users may retrieve existing documents directly from the document management system repository, make changes, and save the changed document back to the repository as a new version, all without leaving the original application. For example, implementing a document management system should provide the capability to take data from the electronic documents or forms and load that data directly into PRISM. Storage and management of electronic documents includes considerations of where documents are stored, for how long, migration of documents from one storage media to another and eventual document destruction.

**Moving to Electronic Case Files**

Prior to implementing a document management system, it is important to initiate a statewide clean-up effort of all paper file content for all active child support cases. This effort should occur in all county offices. It is important to remove outdated and non-essential documents from the case files prior to conversion. There is an assumption that all county offices will adhere to the defined standards and procedures and complete this clean-up in a timely manner. It is essential that the clean-up occurs prior to the conversion of the documents to electronic format. However, with the daily influx of high volumes of inbound correspondence, the completion of this effort may vary across county offices given available resources and the number of active child support cases within each office.

The outcome of this initiative will be the conversion of all paper documents contained in the paper case files to electronic format. The electronic case folder will be implemented on all new cases. There needs to be a strategy developed for converting existing cases into electronic format. There is also an assumption that some essential documents will remain in the physical case files such as certified documents with original signatures and/or raised seals/stamps. The risk associated with this effort is staff resistance since staff members are currently dependent on paper documents and files.

All paper information received during the Case Initiation process should be converted to electronic form so that the information is available 'anywhere, anytime'. This effort will convert paper case file documents into an electronic format to be stored in the system. These documents will be imaged, processed, and indexed, which will allow for enhanced search and retrieval. With electronic case files, the management of documents will provide version control along with essential tracking of records in accordance with retention schedules.

**Enhancing Forms Management**

Forms management (use of e-Forms) increases staff productivity and improves customer service by minimizing the amount of time users spend completing, accessing and filling out standard business forms. A typical e-Forms solution includes a designer to create e-Forms (replicating paper forms, if necessary) and a capability to deploy e-Forms directly into business processes.

Web-based e-Forms can serve as the front-end of many business processes and provide built-in intelligence to ensure the e-Form is filled out correctly the first time, even when it is filled in by customers or other stakeholders outside the organization.

E-Form templates and filled-in e-Forms can be stored directly into document management and workflow management systems, which then route e-Forms throughout the workflow lifecycle. The e-Form can become the user interface for many human workflow steps. Blank forms can also be completed offline while staff is disconnected from the network; when the form is brought back online, it automatically launches the correct business

	<p>process.</p> <p>E-Forms applications often come with features such as database lookups for pre-filling of fields, spell-check, mathematical calculations and automatic storage. A version of an e-Form can be stored automatically after each step of a business process to support auditing and regulatory process requirements. Security and identity controls can also be built-in. Many of the customer self-service elements covered in the CRM project could be facilitated by the provision of e-Forms as the template for self-service data entry.</p> <p>The electronic forms technology can allow for intuitive forms generation based on individual circumstances and county requirements as specified by business rules. If implemented, bar-coding on forms can allow for automation possibilities for inbound forms such as rules-based update of confirmation codes, and the inactivation of an old address and activation of a new and more current address.</p>
<p><b>Dependencies, Assumptions, and Notes</b></p>	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>• The <i>Establish Technical Infrastructure</i> project will include the selection of the appropriate ECM solution that will be integrated into the to-be technical architecture and should be completed prior to this project.</li> <li>• The <i>Conduct a To-Be Process Analysis, Develop a Strategy to Manage Legislative, Policy, and Federal Changes, Conduct Implementation Readiness Assessments (IRAs)</i>, and <i>Establish Governance Structure</i> projects should also be completed prior to this project.</li> </ul> <p><b>Notes:</b></p> <ul style="list-style-type: none"> <li>• This project will essentially set up the infrastructure for ECM that will include the following – document management (inbound and outbound), electronic case files, and the integration framework for attaching document images in the application solution. The effort required for actually converting the forms / notices for each of the business processes (Case Initiation, Locate, Establishment, Enforcement, and Financials) and integrating them with the ECM infrastructure will occur during the <i>Incremental Renewal</i> of each of the business processes.</li> <li>• The electronic case file will be implemented initially for all new cases created in the system. There needs to be a separate implementation plan developed to address the conversion of the existing backlog of paper files to an electronic format over a period of time.</li> <li>• To fully implement the vision for the new business processes, access to electronic images of case files is necessary. As a result there is a close relationship between ECM implementation and the <i>Incremental Renewal</i> projects. To the extent that the technology implementation can be completed early enough, there may be opportunities to pilot ECM capabilities during the transition to the regions in the new service delivery model.</li> </ul>	

**Table 47: Implement Enterprise Content Management (ECM)**

**Implement Customer Relationship Management (CRM)**

195 The objective of the *Implement Customer Relationship Management (CRM)* project is to implement an integrated software solution that will integrate telephone, email, fax and other child support system interactions so that timely, accurate, and consistent information can be provided to the customer across all communication channels and tracked. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

<b>Project Name</b>	<b>Implement Customer Relationship Management (CRM)</b>
Duration	15 – 18 months
Project Phase	Phase 2
Project Origin	Policy BPR
Policy BPR Project ID	12
Project Description	<p>Implementing a Customer Relationship Management (CRM) solution will integrate various channel interactions via the phone system (IVR), email, fax and walk-in interactions with clients. There will also be a need to integrate the CRM solution with the Minnesota Child Support Online (MCSO), and the core child support system so that accurate, consistent and complete information is provided to the customer across all channels. At the time that the technical architecture is established, the software and hardware that will be used to support this project will be selected. This project will also be impacted by the “to-be” customer services subprocesses that will be defined in the <i>Conduct a To-Be Process Analysis</i> project.</p> <p><b>What is CRM?</b></p> <p>CRM is a broad term that covers concepts used by organizations to manage their relationships with customers, including the capture, storage and analysis of customer information. CRM is not just a technology, but rather an overall approach to an organization's philosophy in dealing with its customers and other external stakeholders. This includes policies and processes, front-end customer service, employee training, outreach efforts, systems and information management.</p> <p>Operationally, a CRM system provides support to "front-office" business processes involving contact, communications and other interaction with customers. Each interaction with a customer adds that customer's contact history, and staff can retrieve information on these individuals from the database as necessary. One of the main benefits of such a contact history is that, over time, customers can interact with the organization through many different people (CSED state and regional staff) and via many different contact “channels” (phone, mail, Web or in person) without having to repeat the history of their prior interactions each time. Many CRM applications also provide the capability to develop “scripts” for incoming calls to guide workers through common business processes consistently.</p> <p>CSED already has a web presence in MCSO. We are not recommending that MCSO be replaced. Rather, another project in this roadmap, Enhanced Self-Service will be charged with updating MCSO so that it meets the business needs of the new model. Since CSED has already invested significantly in MCSO and in the training of the staff that maintain it, we feel it important to not replace MCSO with a new site via the CRM application. Rather, the CRM package that is selected should be flexible enough to be able to integrate with MCSO so that customer web interactions are captured into the CRM solution to give a complete view of customer interactions.</p> <p><b>Benefits Beyond CRM</b></p> <p>CRM also covers the integration and streamlining of the “channels” through which an organization interacts directly with customers. For the MN child support program, this could include the web self service (MCSO), email, fax, phone calls received by counties or the state help desk and the automated phone system (IVR), etc.</p> <p>In conjunction with an overall approach to improve data quality and with appropriate analytical and reporting tools, a CRM system enables the analysis of customer/stakeholder data for a variety of purposes, including:</p>

	<ul style="list-style-type: none"> <li>• Design and execution of specific customer / stakeholder communication and education campaigns</li> <li>• Analysis of customer / stakeholder behavior to aid service decision making</li> <li>• Provision of information to support financial forecasting and program performance analysis</li> </ul>
<b>Dependencies, Assumptions, and Notes</b>	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>• CRM software tool selection is completed during the <i>Establish Technical Infrastructure</i> project, which should be completed prior to this project.</li> <li>• The <i>Conduct a To-Be Process Analysis, Develop a Strategy to Manage Legislative, Policy, and Federal Changes, Conduct Implementation Readiness Assessments (IRAs)</i>, and <i>Establish Governance Structure</i> projects should also be completed prior to this project.</li> <li>• In addition, we suggest the <i>Establish Performance Management Framework</i> project be completed prior to this project.</li> </ul> <p><b>Notes:</b></p> <ul style="list-style-type: none"> <li>• As part of the <i>Incremental Renewals</i>, the implementation of automated outbound messaging (i.e., via email, phone, text, etc.) may occur. These upgrades of communication methods will be included in the <i>Implement Customer Relationship Management (CRM)</i> project. Available elements of the CRM system could be piloted during the rollout of the new service delivery model.</li> </ul>	

**Table 48: Implement Customer Relationship Management (CRM)**

**Incremental Renewal – Case Initiation**

196 The objective of the *Incremental Renewal – Case Initiation* project is to address the current challenges of the Case Initiation module by implementing the related future business process recommendations, and transition these functions from the PRISM mainframe system into the new architecture. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

Project Name	Incremental Renewal – Case Initiation
Duration	16 – 18 months
Project Phase	Phase 2
Project Origin	Policy BPR
Policy BPR Project ID	14
Project Description	Case Initiation refers to the subprocesses and activities which lead to the creation of a child support case in PRISM. The activities performed in Case Initiation consist of receiving or gathering the necessary data and information to create a new child support case, reviewing that data and building a case on PRISM. Case Initiation includes 26 key business functions that exist across the six Case Initiation subprocesses. Of the 26 business functions within Case Initiation, 21 are currently performed manually (80%). Of the 21 functions, ten manual functions lend themselves to automation. If these functions were automated, it would generate time savings and efficiencies for caseworkers that are currently responsible for

#### Case Initiation.

The Case Initiation process has varying degrees of automation support for the three primary sources of new cases: NPA applications, referrals from other agencies and incoming interstate cases. Other than referrals received from the MAXIS interface, Case Initiation is presently characterized by manual caseworker activity to receive, review and build new cases on PRISM. Additionally, in the area of NPA applications, existing technology is not fully leveraged to permit and support electronic applications, whether online or through email.

The primary objective of the *Incremental Renewal – Case Initiation* project is to assist the MN child support program with automating the Case Initiation processes where appropriate and addressing key pain points that exist with the current process. This includes the following key activities:

- Implement the capability to accept NPA applications via the internet
- Enhance case and person matching
- Enhance MAXIS interface screening
- Implement intelligent case assignment
- Enable interstate email communications
- Implement a rule-based case assessment and case closure capability
- Implement automated activity logging and tracking
- Improve the efficiency of worklists
- Improve the user experience with multiple entry options, summary screens, dynamic filtering and viewing, elimination of acronyms and codes, spell check, and flexible search
- Implement next appropriate action and rule-based automation
- Implement workflow / orchestration
- Automate manual interfaces and allow for interface integration

The project will be implemented using CSED's newly defined System Development Lifecycle (SDLC) processes and procedures. The SDLC will have similar phases to those listed below with the following scope:

#### Requirements:

- Customize and configure tools (tools for requirements management, business process modeling, etc.)
- Gather functional, technical, and PRISM integration requirements via Joint Application design (JAD) sessions
- Develop use cases
- Develop Software Requirements Specification Document
- Develop Requirements Traceability Matrix

#### Design:

- Develop logical data model (data dictionary)
- Develop functional and technical design specifications
- Develop user interface design

	<ul style="list-style-type: none"> <li>• Develop data synchronization design</li> <li>• Develop conversion design</li> <li>• Develop Software Design Document</li> <li>• Develop Software Architecture Document</li> <li>• Update Requirements Traceability Matrix</li> </ul> <p><u>Development:</u></p> <ul style="list-style-type: none"> <li>• Develop services and components</li> <li>• Unit test services and components</li> <li>• Develop conversion scripts</li> <li>• Unit test conversion scripts</li> <li>• Develop data synchronization routines with PRISM</li> <li>• Unit test data synchronization routines with PRISM</li> </ul> <p><u>Testing:</u></p> <ul style="list-style-type: none"> <li>• Develop System Test plan</li> <li>• Develop System Test scenarios</li> <li>• Update Requirements Traceability Matrix based on system testing</li> <li>• Conduct System Test</li> <li>• Plan and execute regression test</li> <li>• Develop Acceptance Test plan</li> <li>• Develop Acceptance Test scenarios</li> <li>• Update Requirements Traceability Matrix based on acceptance testing</li> <li>• Conduct Acceptance Test</li> </ul> <p><u>Implementation:</u></p> <ul style="list-style-type: none"> <li>• Develop Implementation Plan</li> <li>• Develop Communication Plan</li> <li>• Implement Communication Plan</li> <li>• Develop Change Management and Training Plan</li> <li>• Conduct user training</li> <li>• Execute mock conversions</li> <li>• Identify services and components for initial release</li> <li>• Deploy services and components</li> </ul>
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Dependencies, Assumptions, and Notes
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>• The requirements for this project will be developed using the future processes that will be defined in the <i>Conduct a To-Be Process Analysis</i> project.</li> <li>• The policy, federal, and legislative changes required for this project will be implemented in the <i>Develop a Strategy to Manage Legislative, Policy, and Federal Changes</i> project.</li> <li>• A detailed project scope definition, project approach / conceptual design and project plan will be defined during the <i>Conduct Implementation Readiness Assessment</i> project.</li> <li>• As part of the <i>Improve Data Quality</i> project, data quality will be assessed, data issues prioritized, and a structure for monitoring will be established to govern the process for data clean-up. This must be completed such that an organized approach to assessing data quality and performing clean-up may be developed prior to data conversion.</li> <li>• The technical architecture must be evaluated in the <i>Establish Technical Infrastructure</i> project in order to establish a technology strategy to incrementally renew the child support system.</li> <li>• The <i>Assess and Plan for Security Management</i> project should be in place to establish a formalized program and structure for controlling user identity and access management.</li> <li>• In addition, we suggest that the <i>Establish Governance Structure</i>, <i>Establish Performance Management Framework</i> and <i>Rationalize Reports</i> projects be completed prior to this project.</li> <li>• To fully implement the vision for the new business processes, access to electronic images of case files is necessary. This will be implemented in the <i>Implement Enterprise Content Management (ECM)</i> project; however it is possible to implement these two projects concurrently.</li> <li>• As part of the incremental renewals, the implementation of automated outbound messaging (i.e., via email, phone, text, etc.) may occur. These upgrades of communication methods will be included in the <i>Implement Customer Relationship Management (CRM)</i> project, which can also be conducted concurrently with the <i>Incremental Renewal – Case Initiation</i> project.</li> </ul> <p><b>Notes:</b></p> <ul style="list-style-type: none"> <li>• Due to the planned concurrent implementation of the new service delivery model and Case Initiation renewal, there may be opportunities to pilot elements of the Case Initiation technology in one or more regions during the rollout.</li> </ul>

**Table 49: Incremental Renewal – Case Initiation**

**Conduct Facilities Analysis**

197 The objective of the *Conduct Facilities Analysis* project is to locate and secure appropriate workspace to support the new business processes and organizational design of the child support program.

Project Name	Conduct Facilities Analysis
Duration	4 – 6 months
Project Phase	Phase 2
Project Origin	ASDM
Project Description	<p>CSED should apply an organized and data driven approach to site selection so that the sites identified and ultimately selected will support the new service delivery model. This approach should include the following steps:</p> <ul style="list-style-type: none"> <li>• Determine facilities requirements – Based on the new organizational structure and proposed organizational chart that will have been completed during the <i>Conduct Organizational Design Assessment</i> project, CSED will know the number and level of employees within each regional office. From this information, space requirements per employee and for common areas can be determined. To-be process flows and technology should also factor into the creation of facilities requirements.</li> <li>• Determine location selection criteria – CSED, with input from stakeholders within the child support program, should define the location selection criteria based on what will facilitate the best delivery of services to its customers.</li> <li>• Conduct market surveys – Complete market surveys will be conducted to gather information that will inform the selection of individual office facilities.</li> <li>• Identify list of possible sites – Using the same selection criteria that were used to identify the geographic areas, perhaps with additional criteria to narrow down particular locations, a long list of eligible locations will be compiled for each regional office. By assigning relative weightings to the criteria and ranking sites according to the weighted selection criteria, a short list of the two to three highest ranking locations can be compiled.</li> <li>• Conduct site visits – Members from the CSED Project Team will likely want to perform site visits at each of the sites on the short list.</li> <li>• Negotiate leases – From this short list, lease negotiations will take place to determine which single location within each region will be the best fit for the child support program.</li> </ul>
Dependencies, Assumptions, and Notes	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>• The <i>Conduct a To-Be Process Analysis</i>, <i>Conduct Organizational Design Assessment</i>, and <i>Conduct Service Delivery Model Technology Assessment</i> projects should be completed prior to starting this project so that the future business processes, organizational structure, and interim technology needs are considered and factored into the facility selection process.</li> </ul> <p><b>Dependent Projects:</b></p> <ul style="list-style-type: none"> <li>• This project should be started prior to the <i>Conduct Facilities Build-out</i> project, but depending on the schedule defined in the Roll-out Plan and when facilities are identified and leases signed, this project does not have to be fully completed in order to start the <i>Conduct Facilities Build-out</i> project.</li> </ul>	

**Table 50: Conduct Facilities Analysis**

**Conduct Facilities Build-out**

198 The objective of the **Conduct Facilities Build-out** project is to carry out the leasehold improvements necessary to make each facility identified in the **Conduct Facilities Analysis** project operational in accordance with the schedule set forth in the Service Delivery Model Roll-out Plan.

Project Name	Conduct Facilities Build-out
Duration	12 – 14 months
Project Phase	Phase 2
Project Origin	ASDM
Project Description	<p>In accordance with the schedule defined in the Service Delivery Model Roll-out Plan, lease negotiations will be completed and the leases signed for each new regional office site. Upon signing the leases, CSED, in conjunction with the Property and Facilities Management Unit (PFMU), will determine the design and build-out needs for the interior space of each facility and complete detailed design plans. Schematics will then be created for each office layout. From these schematics, CSED and the PFMU will determine the extent of the construction necessary to complete the build-out. The PFMU will then work through the Real Estate and Construction Services Unit or, if the architectural and engineering work to be done is extensive, contract out to a private architectural and engineering firm through a bid process, to complete the necessary build-outs at each facility.</p> <p>Also during this time, CSED will work with the PFMU to identify and secure the necessary office furniture, individual computer equipment, and general office IT equipment. Delivery and installation of furniture and IT equipment at each location will be coordinated through the Service Delivery Model Roll-out Plan.</p> <p>Based on the build-out required for each facility and the schedule determined in the Service Delivery Model Roll-out Plan, construction for each facility will be scheduled and carried out with the oversight of the CSED Project Team and the PFMU manager assigned to the project. There will also need to be considerable coordination with the Service Delivery Model Technology thread to determine an appropriate timeline for setting up and testing the IT equipment prior to the office becoming functional.</p>
<b>Dependencies, Assumptions, and Notes</b>	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>The <b>Conduct Facilities Analysis</b> project should be started prior to starting this project. As sites are identified and leases signed in each region, the necessary build-out activities within this project can begin. As such, it is not necessary to fully complete the <b>Conduct Facilities Analysis</b> prior to beginning this project.</li> <li>The Service Delivery Model Roll-out Plan portion of the <b>Project Management Ongoing Thread</b> should also be completed prior to beginning this project. This project should be carried out in accordance with the Roll-out Plan.</li> </ul>	

**Table 51: Conduct Facilities Build-out**

**Enhance Self Service**

199 The objective of the **Enhance Self Service** project is to increase the self service opportunities available to the Minnesota child support program’s customers and stakeholders through enhancement of Minnesota Child Support Online (MCSO). MCSO already allows for case participants to obtain a variety of case related information via the site such as payment information, financial balances and a summary of the actions that have

occurred on the case. This project will widen the scope of the services to include a self-service capability that will endeavor to engage case participants as true partners in their case. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

Project Name	Enhance Self Service
Duration	9 – 12 months
Project Phase	Phase 2
Project Origin	Policy BPR
Policy BPR Project ID	11
Project Description	<p>Stakeholders’ expectations for self service have increased dramatically in recent years. A wide variety of organizations, such as banks, retailers, insurance companies, and government agencies provide a tremendous amount of service to customers via the web and other self service channels. Customers now consider a high-level of self service a basic component to customer service.</p> <p>There is currently data available to CPs, NCPs, employers, and other stakeholders via MCSO. However, there are a large number of received information requests, form requests, and other inquiries that are not resolved via MCSO. MN child support program staff provides a significant amount of customer service that can be shifted to self service if the features on the web (MCSO) were enhanced.</p> <p>The objective of the <i>Enhance Self Service</i> project is to improve the program’s self service options available through MCSO to its customers. Enhancing MCSO is a critical project because of the variety of stakeholders it will affect and the integration points that will exist between an enhanced web presence and the incremental renewals of the core child support business processes. The core enhancements implemented in this project include:</p> <ul style="list-style-type: none"> <li>• Provide and accept financial statements via MCSO. Customers could be directed to the site to complete and submit the financial statement online. Similarly, financial statements could be emailed to customers who elect to receive email communications and could be returned via email. Once the electronic financial statements are received, the income and other data should be auto-populated into PRISM. The guidelines calculator would then use this data to arrive at a recommended order. With appropriate business rules in place, these steps can be accomplished with limited caseworker intervention.</li> <li>• Allow CPs to provide location information on MCSO about themselves, as well as location tips regarding the NCP. Examples include address, employer, telephone number, date of birth, and email addresses.</li> <li>• Allow NCPs to update information about themselves, including employment, address and telephone information.</li> <li>• Allow CPs, NCPs, employers, and other stakeholders to download and print frequently requested case information, forms, NMSNs, etc.</li> <li>• Improve the organization of MCSO web content and the layout of web pages so that advocacy groups, individual customers, and the general public has easier access to general child support program information.</li> <li>• Enhance MCSO to portal technology. One common user interface for centralized information allows for improved flexibility, maintainability, and an improved user experience for CPs, NCPs, employers, other states, and other customers and stakeholders.</li> <li>• Accept credit card payments via the web. Policy should permit the acceptance of credit card payments, including online payments and payments by telephone. The NCP should be informed of any processing charges that may need to be added and be aware that he/she will be responsible for the remittance (these are often referred to as convenience charges). There are vendors that CSED could partner with to</li> </ul>

	<p>provide this service and the cost of the service paid primarily by fees charged by the vendor to the NCP.</p> <ul style="list-style-type: none"> <li>• Provide additional self service features to the employer (specifically) such as the following: <ul style="list-style-type: none"> <li>○ Allow employers to upload and download more information via the self service channel as a way to interact with the program.</li> <li>○ Provide a consolidated view of employer information and answers to frequently asked questions.</li> <li>○ Allow employers to update basic data elements such as employer demographic information, employee status, etc.</li> </ul> </li> <li>• Provide proper employer outreach in order to educate and provide a consistent message to its stakeholders.</li> </ul>
<b>Dependencies, Assumptions, and Notes</b>	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>• The <i>Conduct a To-Be Process Analysis</i> project must be completed prior to this project.</li> <li>• In addition, we suggest that the <i>Develop a Strategy to Manage Legislative, Policy, and Federal Changes, Establish Technical Infrastructure, Conduct Implementation Readiness Assessments (IRAs), and Establish Governance Structure</i> projects also be completed prior to this project.</li> </ul> <p><b>Notes:</b></p> <ul style="list-style-type: none"> <li>• To the extent that self service enhancements can be completed prior to the transition to regional offices, they will help to facilitate the transition. Piloting these enhancements at this time may also provide CSED with an opportunity to initially role them out with a limited user group.</li> </ul>	

**Table 52: Enhance Self Service**

**Incremental Renewal – Locate**

The objective of the **Incremental Renewal – Locate** project is to address the current challenges of the Locate module by implementing the related future business process recommendations, and transition these functions from the PRISM mainframe system into the new architecture. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

Project Name	Incremental Renewal – Locate
Duration	16 – 18 months
Project Phase	Phase 2
Project Origin	Policy BPR
Policy BPR Project ID	15
Project Description	The Locate process consists of finding critical data elements concerning the parties to a case. Locate begins when a case is opened, and continues throughout the life of the case when at least one of the four critical data elements is missing, and/or when a case cannot proceed to the next appropriate action due to lack of verified information regarding the address, employment, assets or income source of the NCP. Locate includes 11 key business functions that exist across the four Locate subprocesses. Of the 11 business functions within Locate, seven are currently

performed manually (64%). Of the seven functions, three manual functions lend themselves to automation. If these functions were automated, it would generate time savings and efficiencies for caseworkers that are currently responsible for Locate.

Locate, in the present environment, is primarily reactive, with the exception of employment information from New Hire Reporting and the DEED interface. Locate also has limited ability to store and retrieve potentially valid information gathered in the past. The sharing of locate information among the counties on cases involving the same parties is limited and inhibited by the use of worklists which are removed when worked by one county. Also, CP locate activities are not undertaken which results in the loss of valuable information, should the case roles switch. The presentation and validation of locate information is not user friendly and does not support the caseworkers in assessing the validation of locate information.

The primary objective of the *Incremental Renewal – Locate* project is to assist the MN child support program with automating the Locate processes where appropriate and addressing key pain points that exist with the current process. This includes the following key activities:

- Implement an Internet Locate Policy and Reference Guide
- Create new and expand existing locate interfaces
- Implement a rule-based locate automation capability
- Automate validation activities
- Implement automated activity logging and tracking
- Improve the efficiency of worklists
- Implement next appropriate action and rule-based automation
- Implement workflow / orchestration
- Automate manual interfaces and allow for interface integration

The project will be implemented using CSED's newly defined System Development Lifecycle (SDLC) processes and procedures. The SDLC will have similar phases to those listed below with the following scope:

Requirements:

- Customize and configure tools (tools for requirements management, business process modeling, etc.)
- Gather functional, technical, and PRISM integration requirements via Joint Application design (JAD) sessions
- Develop use cases
- Develop Software Requirements Specification Document
- Develop Requirements Traceability Matrix

Design:

- Develop logical data model (data dictionary)
- Develop functional and technical design specifications
- Develop user interface design
- Develop data synchronization design
- Develop conversion design

	<ul style="list-style-type: none"> <li>• Develop Software Design Document</li> <li>• Develop Software Architecture Document</li> <li>• Update Requirements Traceability Matrix</li> </ul> <p><u>Development:</u></p> <ul style="list-style-type: none"> <li>• Develop services and components</li> <li>• Unit test services and components</li> <li>• Develop conversion scripts</li> <li>• Unit test conversion scripts</li> <li>• Develop data synchronization routines with PRISM</li> <li>• Unit test data synchronization routines with PRISM</li> </ul> <p><u>Testing:</u></p> <ul style="list-style-type: none"> <li>• Develop System Test plan</li> <li>• Develop System Test scenarios</li> <li>• Update Requirements Traceability Matrix based on system testing</li> <li>• Conduct System Test</li> <li>• Plan and execute regression test</li> <li>• Develop Acceptance Test plan</li> <li>• Develop Acceptance Test scenarios</li> <li>• Update Requirements Traceability Matrix based on acceptance testing</li> <li>• Conduct Acceptance Test</li> </ul> <p><u>Implementation:</u></p> <ul style="list-style-type: none"> <li>• Develop Implementation Plan</li> <li>• Develop Communication Plan</li> <li>• Implement Communication Plan</li> <li>• Develop Change Management and Training Plan</li> <li>• Conduct user training</li> <li>• Execute mock conversions</li> <li>• Identify services and components for initial release</li> <li>• Deploy services and components</li> </ul>
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### Dependencies, Assumptions, and Notes

#### Predecessor Projects:

- The requirements for this project will be developed using the future processes that will be defined in the *Conduct a To-Be Process Analysis* project.
- The policy, federal, and legislative changes required for this project will be implemented in the *Develop a Strategy to Manage Legislative, Policy, and Federal Changes* project.
- A detailed project scope definition, project approach / conceptual design and project plan will be defined during the *Conduct Implementation Readiness Assessment* project.
- As part of the *Improve Data Quality* project, data quality will be assessed, data issues prioritized, and a structure for monitoring will be established to govern the process for data clean-up. This must be completed such that an organized approach to assessing data quality and performing clean-up may be developed prior to data conversion.
- The technical architecture must be evaluated in the *Establish Technical Infrastructure* project in order to establish a technology strategy to incrementally renew the child support system.
- The *Assess and Plan for Security Management* project should be in place to establish a formalized program and structure for controlling user identity and access management.
- In addition, we suggest that the *Establish Governance Structure*, *Establish Performance Management Framework* and *Rationalize Reports* projects be completed prior to this project.
- To fully implement the vision for the new business processes, access to electronic images of case files is necessary. This will be implemented in the *Implement Enterprise Content Management (ECM)* project; however it is possible to implement these two projects concurrently.
- As part of the incremental renewals, the implementation of automated outbound messaging (i.e., via email, phone, text, etc.) may occur. These upgrades of communication methods will be included in the *Implement Customer Relationship Management (CRM)* project, which can also be conducted concurrently with the *Incremental Renewal – Locate* project.

#### Notes:

- Due to the planned concurrent implementation of the new service delivery model and Locate renewal, there may be opportunities to pilot elements of the Locate technology in one or more regions during the rollout.

### Table 53: Incremental Renewal – Locate

#### Improve Reporting Capabilities and Analytics

The objective of the *Improve Reporting Capabilities and Analytics* project is to create an integrated solution for all reporting needs that provides easier information retrieval and enhanced analytics for user level, management, and state / federal mandated reports. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

<b>Project Name</b>	<b>Improve Reporting Capabilities and Analytics</b>
Duration	9 – 12 months
Project Phase	Phase 2
Project Origin	Policy BPR
Policy BPR Project ID	10
Project Description	<p>The current reporting and analysis tools need to be integrated to align with the new Performance Management Framework that will be established as part of the Integrated Roadmap initiative. There is an opportunity to improve the data warehouse to provide tools to the supervisors and managers to allow for analysis of their respective regional performance. Such enhancements would improve CSED's ability to produce standard and ad-hoc reports for external entities.</p> <p><b>Evaluating the Current Reporting Environment</b></p> <p>CSED has already begun to organize some reports on the CSED intranet (DHS-SIR). This could continue to be the central location for all reports. An effort would have to occur to modify the publishing of all reports to this site. One of the first actions that should occur is a rigorous evaluation of the existing reports and a determination of which reports can be eliminated from production. This will be accomplished as a foundation project and will be an important input into this project.</p> <p>The NCR Teradata platform that is currently being used for the data warehouse is one of the leading providers of data warehouse and business intelligence reporting. However, CSED needs to critically examine the data model that supports the future reporting needs to make sure it will support the type of innovative analytical and predictive reporting that will be critical to accomplishing the future vision of the child support program.</p> <p>The existing data warehouse is a model which provides for a high degree of normalization (3rd Normal Form) which is a sound design principle for on-line transaction processing systems (OLTP). This project would include a re-organization of the data model to take advantage of the benefits of multi-dimensional modeling techniques.. Dimensional modeling is a database design technique developed specifically for designing data warehouses. The objectives would be to create a database structure that end users can easily understand and write queries against to optimize query performance. This method has become the predominant approach to designing data warehouses in practice and has proven to be a major breakthrough in developing databases that can be used directly by end users.</p> <p>The benefit of transitioning from a traditional OLTP to an online analytical processing (OLAP) design is to provide easy querying and to conduct analytical reporting. This structure will allow CSED to move toward a self service, ad-hoc reporting approach and reduce the amount of maintenance required to develop and maintain reports.</p> <p><b>Consolidating Federal Reporting</b></p> <p>This project can include the development of a comprehensive performance management solution to generate federal reports in an off-line environment. The solution would provide the ability to produce both federal and management reports which will be used by CSED executive staff to monitor the federal performance measures and related criteria in order to take the necessary proactive measures to improve program performance. This performance management solution would help CSED executive staff in establishing accountability for the results that may be used to link incentive sharing with regional performance. This enhancement would provide a very valuable tool to CSED executives as they</p>

	<p>monitor the progress on federal performance measures and develop strategies to improve the state's performance. CSED would essentially have an early warning system for the challenges facing the state, including potential penalties and reduction in incentive funding from OCSE.</p> <p><b>Improving Management Reporting</b></p> <p>A goal for many of the components in this project is to improve capabilities for management reporting and provide management with more robust data analysis tools. Reports required for performance monitoring will be designed, developed, tested, and implemented. Reports can be in a multi-dimensional structure for storing statistical information that can be viewed either in summary (rolled up) or detail (drilled down) form. Data stored in this manner can be used for benchmarking, comparison, and trend analysis purposes. An enhanced reporting structure can help caseworkers focus on the work that really matters. For example, reports can:</p> <ul style="list-style-type: none"> <li>• Determine which cases should be worked first (have the biggest bang for the buck)</li> <li>• Provide caseload, compliance and collection information</li> <li>• Present reports that are organized by case/participant variables including:             <ul style="list-style-type: none"> <li>○ Obligation</li> <li>○ Payment</li> <li>○ Location</li> <li>○ Demographics</li> </ul> </li> </ul> <p>A new reporting structure can offer users flexibility in how data is viewed and give them the ability to “slice and dice” the data in a user-friendly format. This simplified method of manipulating data in order to view performance is critical for supporting CSED during the implementation of its new performance metrics as part of the Establish Performance Management project.</p> <p><b>Developing and Delivering Training</b></p> <p>User training is required to implement the proper use of reports. A training plan will be developed, which incorporates the development of training materials and a training delivery schedule in order to train staff on the different dimensions of viewing data to provide CSED with the necessary reports. These training activities should be coordinated with the training efforts associated with the transition to the new service delivery model as well as those that are part of the incremental renewal projects.</p>
<b>Dependencies, Assumptions, and Notes</b>	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>• The <i>Improve Reporting Capabilities and Analytics</i> project will enable improved reporting for the metrics established as part of the <i>Establish Performance Management Framework</i> project, which should be completed prior to this project.</li> <li>• An initial assessment of current reports will be completed as part of the <i>Rationalize Reports</i> project and should be completed prior to this project.</li> <li>• The <i>Develop a Strategy to Manage Legislative, Policy, and Federal Changes</i> and <i>Establish Technical Infrastructure</i> should also be completed prior to this project...</li> <li>• In addition, we suggest the <i>Conduct Implementation Readiness Assessments (IRAs)</i> project be completed prior to this project.</li> </ul>	

**Table 54: Improve Reporting Capabilities and Analytics**

## Phase 3 Projects

- 200 We estimate that Phase 3 will take CSED between 18 and 24 months to complete and will consist of completing the incremental system renewals for Establishment, Enforcement, and Financials. By this phase, CSED will be operating under the new service delivery model while it completes the system renewal. While there will be ongoing ASDM aspects of the project occurring during this phase, such as workforce support and elements of change management, the projects to be completed during this phase are predominantly Policy BPR activities. Descriptions of the Phase 3 Projects follow.
- 201 Phase 3 projects include:
- ***Incremental Renewal – Establishment***
  - ***Incremental Renewal – Enforcement***
  - ***Incremental Renewal – Financials***

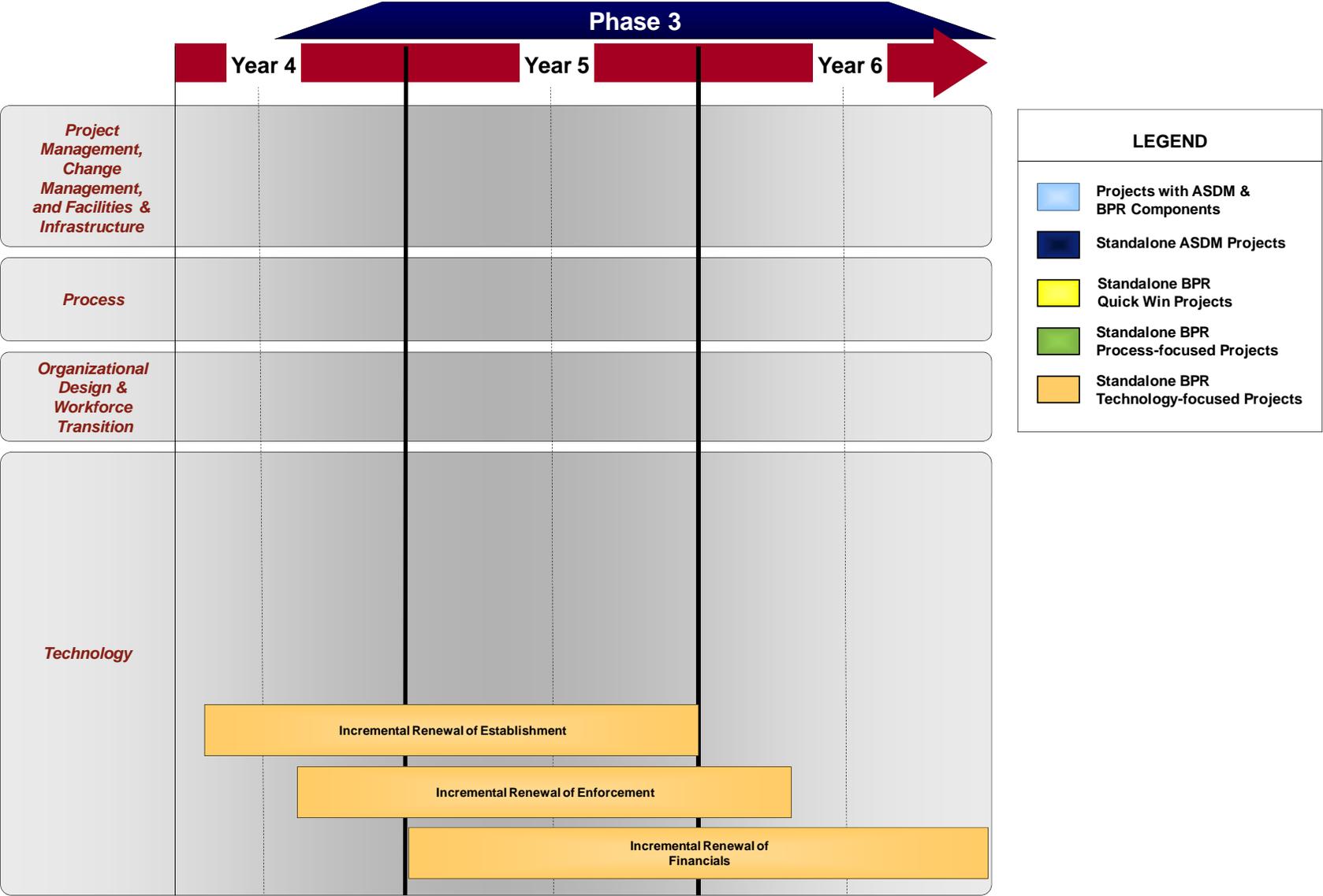


Figure 31: Phase 3 Integrated Roadmap Projects

**Incremental Renewal – Establishment**

202 The objective of the **Incremental Renewal – Establishment** project is to address the current challenges of the Establishment module by implementing the related future business process recommendations, and transition these functions from the PRISM mainframe system into the new architecture. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

Project Name	Incremental Renewal – Establishment
Duration	18 – 24 months
Project Phase	Phase 3
Project Origin	Policy BPR
Policy BPR Project ID	16
Project Description	<p>Establishment refers to the activities performed to determine the legal paternity of a child. It also refers to the activities performed to establish a support order, which determines the amount of a child support obligation. Support orders may also include provisions for medical insurance coverage, medical support amounts and child care obligations. As such, the term establishment includes a wide range of services and activities. Establishment includes 39 key business functions that exist across the ten Establishment subprocesses. Of the 39 business functions within Establishment, 31 are currently performed manually (79%). Of the 31 functions, five manual functions lend themselves to automation. If these functions were automated, it would generate time savings and efficiencies for caseworkers that are currently responsible for Establishment.</p> <p>Establishment, in the present environment, is characterized by numerous manual tasks and activities which contribute to the wide variety of inconsistent practices among the county offices. There is little automation of routine tasks such as notice generation, scheduling, accessing and sharing of genetic test results, and legal form and document generation. While PRISM has limited document generation capabilities to support the Establishment process, the functionality is cumbersome and inflexible. Furthermore, common word processing tools, such as text wrap and spelling / grammar check are absent.</p> <p>The primary objective of the <b>Incremental Renewal – Establishment</b> project is to assist the MN child support program with automating the Establishment processes where appropriate and addressing key pain points that exist with the current process. This includes the following key activities:</p> <ul style="list-style-type: none"> <li>• Create an establishment system that focuses on setting appropriate and fair obligations and order terms</li> <li>• Use automated business rules and workflow, to the extent possible, to drive the establishment process</li> <li>• Integrate automated scheduling into the child support application</li> <li>• Support the Expedited Process and District Court process with an emphasis on ROPs and stipulations</li> <li>• Utilize a statewide genetic testing contract</li> <li>• Enhance the Minnesota Department of Health Interface</li> <li>• Create an automated review selection capability</li> <li>• Develop and make available user-friendly pro se packets for reviewing child support obligations</li> <li>• Establish a clear definition of "affordable" health insurance coverage</li> </ul>

- Provide standardization and flexibility to PRISM documents and forms in the Paternity and Order Establishment process
- Implement automated activity logging and tracking
- Improve the efficiency of worklists
- Automate manual interfaces and allow for interface integration

The project will be implemented using CSED's newly defined System Development Lifecycle (SDLC) processes and procedures. The SDLC will have similar phases to those listed below with the following scope:

Requirements:

- Customize and configure tools (tools for requirements management, business process modeling, etc.)
- Gather functional, technical, and PRISM integration requirements via Joint Application design (JAD) sessions
- Develop use cases
- Develop Software Requirements Specification Document
- Develop Requirements Traceability Matrix

Design:

- Develop logical data model (data dictionary)
- Develop functional and technical design specifications
- Develop user interface design
- Develop data synchronization design
- Develop conversion design
- Develop Software Design Document
- Develop Software Architecture Document
- Update Requirements Traceability Matrix

Development:

- Develop services and components
- Unit test services and components
- Develop conversion scripts
- Unit test conversion scripts
- Develop data synchronization routines with PRISM
- Unit test data synchronization routines with PRISM

Testing:

- Develop System Test plan
- Develop System Test scenarios

	<ul style="list-style-type: none"> <li>• Update Requirements Traceability Matrix based on system testing</li> <li>• Conduct System Test</li> <li>• Plan and execute regression test</li> <li>• Develop Acceptance Test plan</li> <li>• Develop Acceptance Test scenarios</li> <li>• Update Requirements Traceability Matrix based on acceptance testing</li> <li>• Conduct Acceptance Test</li> </ul> <p><u>Implementation:</u></p> <ul style="list-style-type: none"> <li>• Develop Implementation Plan</li> <li>• Develop Communication Plan</li> <li>• Implement Communication Plan</li> <li>• Develop Change Management and Training Plan</li> <li>• Conduct user training</li> <li>• Execute mock conversions</li> <li>• Identify services and components for initial release</li> <li>• Deploy services and components</li> </ul>
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**Dependencies, Assumptions, and Notes**

**Predecessor Projects:**

- The requirements for this project will be developed using the future processes that will be defined in the *Conduct a To-Be Process Analysis* project.
- The policy, federal, and legislative changes required for this project will be implemented in the *Develop a Strategy to Manage Legislative, Policy, and Federal Changes* project.
- A detailed project scope definition, project approach / conceptual design and project plan will be defined during the *Conduct Implementation Readiness Assessment* project.
- As part of the *Improve Data Quality* project, data quality will be assessed, data issues prioritized, and a structure for monitoring will be established to govern the process for data clean-up. This must be completed such that an organized approach to assessing data quality and performing clean-up may be developed prior to data conversion.
- The technical architecture must be evaluated in the *Establish Technical Infrastructure* project in order to establish a technology strategy to incrementally renew the child support system.
- The *Assess and Plan for Security Management* project should be in place to establish a formalized program and structure for controlling user identity and access management.
- In addition, we suggest that the *Establish Governance Structure*, *Establish Performance Management Framework* and *Rationalize Reports* projects be completed prior to this project.
- To fully implement the vision for the new business processes, access to electronic images of case files is necessary. This will be implemented in the *Implement Enterprise*

- Content Management (ECM)* project. While it is possible to implement these two projects concurrently, it is suggested that *Implement Enterprise Content Management (ECM)* project be completed in Phase 2.
- As part of the incremental renewals, the implementation of automated outbound messaging (i.e., via email, phone, text, etc.) may occur. These upgrades of communication methods will be included in the *Implement Customer Relationship Management (CRM)* project. While it is possible to implement these two projects concurrently, it is suggested that *Implement Customer Relationship Management (CRM)* project be completed in Phase 2.
  - This project will build on the system built in Phase 2 during the *Incremental Renewal – Case Initiation* and *Incremental Renewal – Locate* projects.

**Table 55: Incremental Renewal – Establishment**

**Incremental Renewal – Enforcement**

203 The objective of the *Incremental Renewal – Enforcement* project is to address the current challenges of the Enforcement module by implementing the related future business process recommendations, and transition these functions from the PRISM mainframe system into the new architecture. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

Project Name	Incremental Renewal – Enforcement
Duration	18 – 24 months
Project Phase	Phase 3
Project Origin	Policy BPR
Policy BPR Project ID	17
Project Description	<p>The Enforcement process describes the various remedies used to enforce compliance with support orders. The 17 Enforcement subprocesses are not applied in a linear, sequential fashion but can be initiated at any time in the life of a case with a support order depending upon the circumstances of the specific case. Different Enforcement subprocesses can be implemented individually or simultaneously. Also, the different subprocesses can be initiated either manually by a caseworker or on an automated basis or, in some instances, by either method. Enforcement includes 66 key business functions that exist across the 17 Enforcement subprocesses. Of the 66 business functions within Enforcement, 39 are currently performed manually (59%). Of the 39 functions, 12 manual functions lend themselves to automation. If these functions were automated, it would generate time savings and efficiencies for caseworkers that are currently responsible for Enforcement.</p> <p>Enforcement, in the present environment, is characterized by a varying level of automation, efficiency and complexity. Some subprocesses are almost fully automated and function very efficiently, notably Project Intercept, Reemployment Insurance Intercept, Student Grant Holds, Revenue Recapture and Credit Bureau Reporting. Other enforcement remedies are heavily dependent upon caseworker activity to initiate and complete the enforcement activity, notably all the license suspension enforcement remedies, as well as FIDM, Contempt and Payment Plans. There is little automated support to help direct caseworkers to identify which enforcement remedy may have the best potential for success, and many routine tasks are not automated.</p> <p>Income withholding, the single most effective enforcement remedy, is currently being implemented with some degree of inefficiency. The automated support that exists in PRISM, the generation of income withholding orders when a new employer record is added, is diminished by the practice of manually reviewing all income withholding notices to identify those which the caseworkers want to modify or replace. This is the result of a policy debate over how arrears payment orders should be enforced. This practice of manual review weakens the effectiveness of income</p>

withholding as an enforcement remedy, and the lack of centralized printing of income withholding orders weakens the efficiency of the remedy and increases printing and mailing costs.

The choice of enforcement remedies is primarily an ad hoc, caseworker decision. Although worklists may identify cases for specific remedies, such as upon a FIDM match, the decision whether to proceed to implement the enforcement remedy is left to caseworker discretion. This results in lost collections and inconsistent application of certain enforcement remedies. The primary objective of the ***Incremental Renewal – Enforcement*** project is to assist the MN child support program with automating the Enforcement processes where appropriate and addressing key pain points that exist with the current process. This includes the following key activities:

- Use business rules to determine the appropriate enforcement action
- Automate, to the extent possible, the execution of enforcement actions
- Develop an enforcement system that aligns with Arrears Management Principles
- Standardize payment agreements
- Implement automated early intervention techniques
- Establish a central lien registry
- Standardize the contempt process
- Enforce only unreimbursed medical expenses obligations that have been reduced to judgment by the parties
- Implement eIWO (notices)
- Automate FIDM
- Further Automate the License Suspension process
- Resolve revenue recapture injured spouse claims by following the federal injured spouse return percentage
- Implement automated activity logging and tracking
- Improve the efficiency of worklists
- Implement workflow / orchestration
- Automate manual interfaces and allow for interface integration

The project will be implemented using CSED's newly defined System Development Lifecycle (SDLC) processes and procedures. The SDLC will have similar phases to those listed below with the following scope:

Requirements:

- Customize and configure tools (tools for requirements management, business process modeling, etc.)
- Gather functional, technical, and PRISM integration requirements via Joint Application design (JAD) sessions
- Develop use cases
- Develop Software Requirements Specification Document
- Develop Requirements Traceability Matrix

Design:

	<ul style="list-style-type: none"> <li>• Develop logical data model (data dictionary)</li> <li>• Develop functional and technical design specifications</li> <li>• Develop user interface design</li> <li>• Develop data synchronization design</li> <li>• Develop conversion design</li> <li>• Develop Software Design Document</li> <li>• Develop Software Architecture Document</li> <li>• Update Requirements Traceability Matrix</li> </ul> <p><u>Development:</u></p> <ul style="list-style-type: none"> <li>• Develop services and components</li> <li>• Unit test services and components</li> <li>• Develop conversion scripts</li> <li>• Unit test conversion scripts</li> <li>• Develop data synchronization routines with PRISM</li> <li>• Unit test data synchronization routines with PRISM</li> </ul> <p><u>Testing:</u></p> <ul style="list-style-type: none"> <li>• Develop System Test plan</li> <li>• Develop System Test scenarios</li> <li>• Update Requirements Traceability Matrix based on system testing</li> <li>• Conduct System Test</li> <li>• Plan and execute regression test</li> <li>• Develop Acceptance Test plan</li> <li>• Develop Acceptance Test scenarios</li> <li>• Update Requirements Traceability Matrix based on acceptance testing</li> <li>• Conduct Acceptance Test</li> </ul> <p><u>Implementation:</u></p> <ul style="list-style-type: none"> <li>• Develop Implementation Plan</li> <li>• Develop Communication Plan</li> <li>• Implement Communication Plan</li> <li>• Develop Change Management and Training Plan</li> <li>• Conduct user training</li> </ul>
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	<ul style="list-style-type: none"> <li>• Execute mock conversions</li> <li>• Identify services and components for initial release</li> <li>• Deploy services and components</li> </ul>
<b>Dependencies, Assumptions, and Notes</b>	
<p><b>Predecessor Projects:</b></p> <ul style="list-style-type: none"> <li>• The requirements for this project will be developed using the future processes that will be defined in the <i>Conduct a To-Be Process Analysis</i> project.</li> <li>• The policy, federal, and legislative changes required for this project will be implemented in the <i>Develop a Strategy to Manage Legislative, Policy, and Federal Changes</i> project.</li> <li>• A detailed project scope definition, project approach / conceptual design and project plan will be defined during the <i>Conduct Implementation Readiness Assessment</i> project.</li> <li>• As part of the <i>Improve Data Quality</i> project, data quality will be assessed, data issues prioritized, and a structure for monitoring will be established to govern the process for data clean-up. This must be completed such that an organized approach to assessing data quality and performing clean-up may be developed prior to data conversion.</li> <li>• The technical architecture must be evaluated in the <i>Establish Technical Infrastructure</i> project in order to establish a technology strategy to incrementally renew the child support system.</li> <li>• The <i>Assess and Plan for Security Management</i> project should be in place to establish a formalized program and structure for controlling user identity and access management.</li> <li>• In addition, we suggest that the <i>Establish Governance Structure</i>, <i>Establish Performance Management Framework</i> and <i>Rationalize Reports</i> projects be completed prior to this project.</li> <li>• To fully implement the vision for the new business processes, access to electronic images of case files is necessary. This will be implemented in the <i>Implement Enterprise Content Management (ECM)</i> project. While it is possible to implement these two projects concurrently, it is suggested that <i>Implement Enterprise Content Management (ECM)</i> project be completed in Phase 2.</li> <li>• As part of the incremental renewals, the implementation of automated outbound messaging (i.e., via email, phone, text, etc.) may occur. These upgrades of communication methods will be included in the <i>Implement Customer Relationship Management (CRM)</i> project. While it is possible to implement these two projects concurrently, it is suggested that <i>Implement Customer Relationship Management (CRM)</i> project be completed in Phase 2.</li> <li>• This project will build on the system built in Phase 2 during the <i>Incremental Renewal – Case Initiation</i> and <i>Incremental Renewal – Locate</i> projects.</li> </ul>	

**Table 56: Incremental Renewal – Enforcement**

**Incremental Renewal – Financials**

204 The objective of the **Incremental Renewal – Financials** project is to address the current challenges of the Financials module by implementing the related future business process recommendations, and transition these functions from the PRISM mainframe system into the new architecture. Initial cost and benefit estimates are included in the *Final Report and Roadmap (Deliverable #4)* of the Policy BPR Project; however, Deloitte recommends revisiting these calculations in the context of this Integrated Roadmap and most recent program data.

Project Name	Incremental Renewal – Financials
Duration	18 – 24 months
Project Phase	Phase 3
Project Origin	Policy BPR
Policy BPR Project ID	18
Project Description	<p>The Financials process refers to those subprocesses which support the financial activities associated with a child support case. The subprocesses within the Financials process occur on an ongoing basis and are mechanisms by which the vital, fundamental function of the child support program, providing financial support for children, is delivered. Financials includes 115 key business functions that exist across the 18 Financials subprocesses. Of the 115 business functions within Financials, 74 are currently performed manually (64%). Of the 74 functions, eight manual functions lend themselves to automation. If these functions were automated, it would generate time savings and efficiencies for caseworkers that are currently responsible for Financials.</p> <p>The Financials Process is particularly complex with numerous pain points ranging from narrowly focused issues associated with a particular screen or subprocess to broad, system-wide issues. While many of these pain points may be resolved with discrete fixes within PRISM, the overall complexity of the Financials system within PRISM has delayed many of these fixes.</p> <p>However, the cumulative conclusion of these pain points is inescapable; the current Financials system within PRISM does not adequately support CSED’s business and is a major contributor to the complexity of the system, adding to the level of user expertise needed for optimum functioning. Simply put, the fundamental pain point is that the PRISM Financial system is not designed properly to meet CSED’s current business needs.</p> <p>The primary objective of the <b>Incremental Renewal – Financials</b> project is to assist the MN child support program with automating the Financials processes where appropriate and addressing key pain points that exist with the current process. This includes the following key activities:</p> <ul style="list-style-type: none"> <li>• Develop a financial management system with a focus on simplified distribution rules</li> <li>• Discontinue interest accrual and eliminate complicated fees</li> <li>• Merge adjustment functions</li> <li>• Focus on relating the caseworker’s understanding of the financial system to answering customer questions</li> <li>• Automate the court order entry process</li> <li>• Revise the billing statement and discontinue billing statements to targeted NCPs</li> <li>• Require electronic remittance for large employers</li> <li>• Implement data archiving / purging</li> <li>• Implement automated activity logging and tracking</li> </ul>

- Implement next appropriate action and rule-based automation
- Implement workflow / orchestration
- Automate manual interfaces and allow for interface integration

The project will be implemented using CSED's newly defined System Development Lifecycle (SDLC) processes and procedures. The SDLC will have similar phases to those listed below with the following scope:

Requirements:

- Customize and configure tools (tools for requirements management, business process modeling, etc.)
- Gather functional, technical, and PRISM integration requirements via Joint Application design (JAD) sessions
- Develop use cases
- Develop Software Requirements Specification Document
- Develop Requirements Traceability Matrix

Design:

- Develop logical data model (data dictionary)
- Develop functional and technical design specifications
- Develop user interface design
- Develop data synchronization design
- Develop conversion design
- Develop Software Design Document
- Develop Software Architecture Document
- Update Requirements Traceability Matrix

Development:

- Develop services and components
- Unit test services and components
- Develop conversion scripts
- Unit test conversion scripts
- Develop data synchronization routines with PRISM
- Unit test data synchronization routines with PRISM

Testing:

- Develop System Test plan
- Develop System Test scenarios
- Update Requirements Traceability Matrix based on system testing

	<ul style="list-style-type: none"> <li>• Conduct System Test</li> <li>• Plan and execute regression test</li> <li>• Develop Acceptance Test plan</li> <li>• Develop Acceptance Test scenarios</li> <li>• Update Requirements Traceability Matrix based on acceptance testing</li> <li>• Conduct Acceptance Test</li> </ul> <p><u>Implementation:</u></p> <ul style="list-style-type: none"> <li>• Develop Implementation Plan</li> <li>• Develop Communication Plan</li> <li>• Implement Communication Plan</li> <li>• Develop Change Management and Training Plan</li> <li>• Conduct user training</li> <li>• Execute mock conversions</li> <li>• Identify services and components for initial release</li> <li>• Deploy services and components</li> </ul>
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**Dependencies, Assumptions, and Notes**

**Predecessor Projects:**

- The requirements for this project will be developed using the future processes that will be defined in the *Conduct a To-Be Process Analysis* project.
- The policy, federal, and legislative changes required for this project will be implemented in the *Develop a Strategy to Manage Legislative, Policy, and Federal Changes* project.
- A detailed project scope definition, project approach / conceptual design and project plan will be defined during the *Conduct Implementation Readiness Assessment* project.
- As part of the *Improve Data Quality* project, data quality will be assessed, data issues prioritized, and a structure for monitoring will be established to govern the process for data clean-up. This must be completed such that an organized approach to assessing data quality and performing clean-up may be developed prior to data conversion.
- The technical architecture must be evaluated in the *Establish Technical Infrastructure* project in order to establish a technology strategy to incrementally renew the child support system.
- The *Assess and Plan for Security Management* project should be in place to establish a formalized program and structure for controlling user identity and access management.
- In addition, we suggest that the *Establish Governance Structure*, *Establish Performance Management Framework* and *Rationalize Reports* projects be completed prior to this project.
- To fully implement the vision for the new business processes, access to electronic images of case files is necessary. This will be implemented in the *Implement Enterprise Content Management (ECM)* project. While it is possible to implement these two projects concurrently, it is suggested that *Implement Enterprise Content Management*

(ECM) project be completed in Phase 2.

- As part of the incremental renewals, the implementation of automated outbound messaging (i.e., via email, phone, text, etc.) may occur. These upgrades of communication methods will be included in the *Implement Customer Relationship Management (CRM)* project. While it is possible to implement these two projects concurrently, it is suggested that *Implement Customer Relationship Management (CRM)* project be completed in Phase 2.
- This project will build on the system built in Phase 2 during the *Incremental Renewal – Case Initiation* and *Incremental Renewal – Locate* projects.

**Table 57: Incremental Renewal – Financials**

## Integrated Roadmap Conclusion

- 205 Through the course of the ASDM and Policy BPR projects, CSED chose to undertake a comprehensive effort to assess the structural effectiveness, efficiency, and viability of the child support program and to identify opportunities to streamline and improve processes and operations. The Integrated Roadmap is the culmination of our efforts to assist CSED in this effort. Completion of the projects presented in the Integrated Roadmap will not only transition the Minnesota child support program to the State Operated Regional Offices service delivery model recommended in the ASDM Project, but will also implement the policy, process, and technology recommendations that were identified in the Policy BPR Project. Implementing the projects in this Integrated Roadmap will transform the people, processes, and technology of the Minnesota child support program and enable CSED to move forward with realizing the program’s strategic goals and future vision.
- 206 The Minnesota child support program has a history of success and strong performance, as evidenced not only by its high rankings in a number of the federal performance measures, but also by the outcomes it has created for Minnesota’s families and children. However, the program now faces growing challenges regarding its cost effectiveness and the ability of its technology to meet the program’s future needs. If CSED does nothing to combat these challenges, the cost of the program will continue to rise and Minnesota’s performance relative to its peers will continue to decline. This will result in the increased loss of federal incentive dollars and decreased service to the program’s customers.
- 207 The ASDM and Policy BPR projects each addressed some of the challenges faced by the child support program and made recommendations on how to tackle the specific challenges addressed. As a result of these two projects, CSED now has individual roadmaps and implementation guidance to move forward with implementing the recommendations for either of these projects independently. While CSED could choose to move forward with either of these major transformations on its own, we recommend that the activities from both of these projects be implemented concurrently. Doing so will allow CSED to more fully address the program’s challenges and will give CSED the best opportunity to align the program with its strategic goals and future vision. Additionally, by implementing both projects at the same time, CSED will likely be able to realize some resource cost synergies by combining certain planning and project management activities, as outlined in the Integrated Roadmap. The end result of implementing the Integrated Roadmap presented in this deliverable will be a fully transformed service delivery model and renewed system that were created in alignment with each other and with the needs of the program.
- 208 Pursuing the implementation in the manner set forth in the Integrated Roadmap will require that some modifications be made to the existing technology systems to support the initial implementation of the new service delivery model. While these changes are essentially sunken costs, in that eventually this system will become obsolete as the incremental system renewals take place, making these investments in the short term will allow the new service delivery model to become operational while preparations are being made for system renewal.

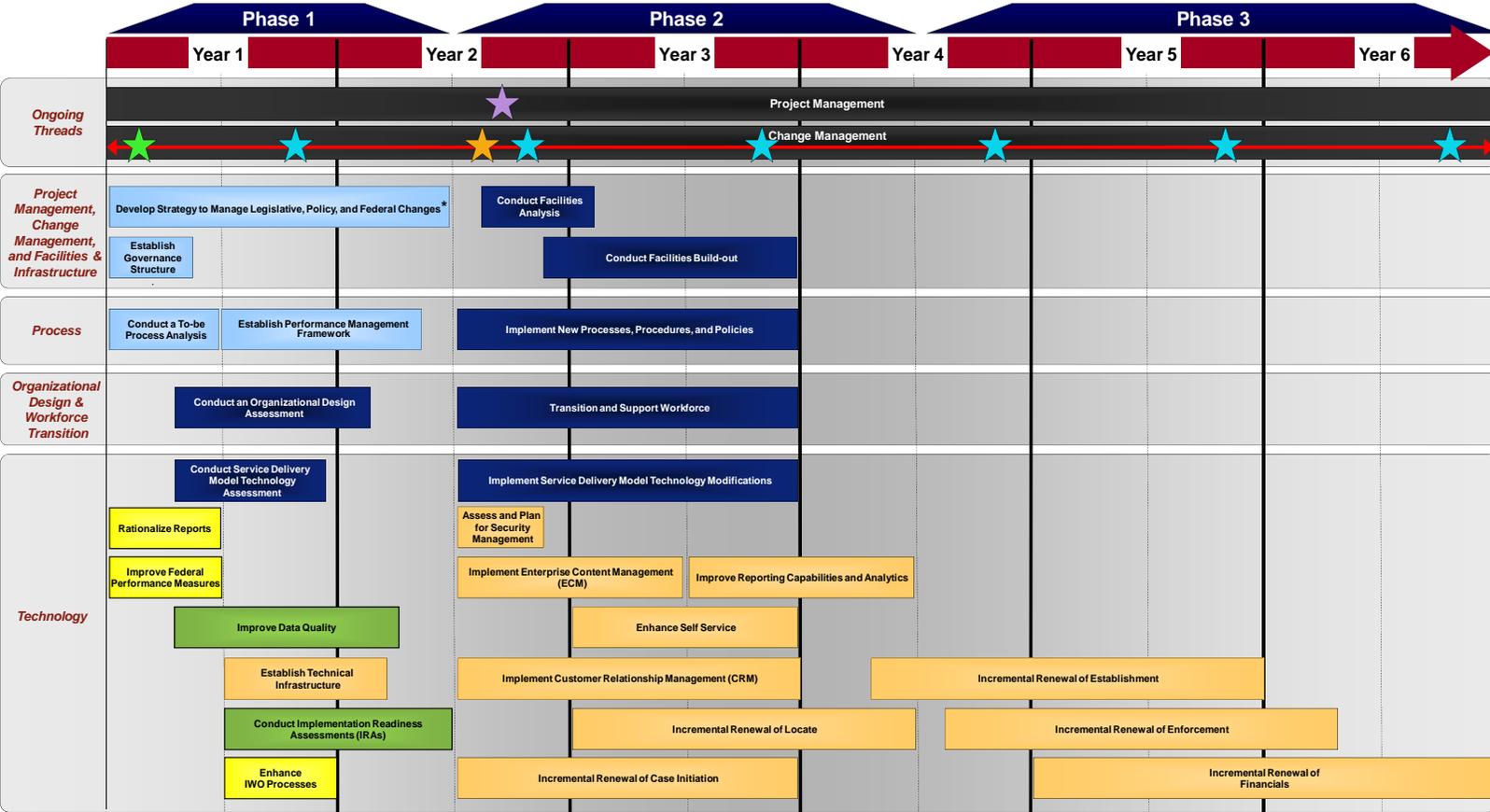
- 209 Should CSED choose to move forward with implementing both the ASDM and Policy BPR projects contained within the Integrated Roadmap, we recommend that the full child support program transformation be carried out as one single undertaking. A transformation of this magnitude will need careful oversight and a strong commitment to project management. Implementing all of the associated pieces as one large project will allow CSED to better manage the project and make certain that all aspects of the transformation are appropriately aligned to support the future vision of the child support program.
- 210 If, for any reason, circumstances do not allow for the simultaneous implementation of both the ASDM and Policy BPR projects, we recommend that CSED first establish the method and structure of service delivery for the future program before moving forward with system renewal. Renewing the system before decisions are made regarding the future service delivery model will likely result in the new system being designed and developed to support the manner in which services are currently being delivered. Making changes to the service delivery model in the future could then require costly re-work of the system to incorporate the new service delivery model. By establishing the program's future service delivery model first, the new system can then be designed to support this model. Furthermore, the child support program will not be able to take full advantage of the system renewal without first improving certain aspects of the current service delivery model. Some of the pain points identified in the Policy BPR Project relate directly to the methods by which services are currently delivered. Without first addressing these pain points, a renewed system could replicate some of the same complexities that exist in the current system. For example, one of the Policy BPR recommendations was to standardize the delivery of paternity establishment services. Currently, there are several different methods by which paternity can be established and many variations in how counties carry out these methods. Many of the pleadings associated with the paternity establishment process are currently being produced off the system due to PRISM not being in synch with certain counties' desired form layout and language. By standardizing the practices and procedures for establishing paternity as part of the new service delivery model prior to system renewal, the new system will be able to accommodate the standardized practices and procedures for use by all counties. Were the system to be renewed prior to these changes being made in the current service delivery model, the new system would need to be designed to accommodate the range of current variation in paternity establishment, undermining the ability of the system to assist in streamlining operations.
- 211 Should it be determined that it will not be possible to implement the State Operated Regional Offices service delivery model, it is still recommended that CSED pursue the system renewal projects set forth in the Policy BPR Project. Regardless of the service delivery model, the Policy BPR Project showed that the current PRISM system will continue to struggle to support the needs of the child support program and that CSED will bear greater risk as PRISM becomes older and the underlying technology more obsolete. Short of implementing a new service delivery model, Deloitte recommends that CSED address basic program governance issues prior to pursuing system renewal. By addressing the inconsistencies related to timeframes associated with service delivery, legal costs, and indirect costs, among others, identified in the *Existing Service Delivery Model Assessment (Deliverable #2)* of the ASDM Project through cooperative agreements or some other method, CSED will be able to design a system to consistently and effectively meet the needs of program stakeholders. However, if governance issues are not addressed, CSED will lack the authority to make some of the decisions needed to implement some of the Policy BPR recommendations. For example, there is currently no standardized statewide contempt process in place. As a result, the current contempt process is characterized by localized practices and procedures some of which are not supported by the PRISM system for the generation of legal contempt documents. One of the Policy BPR recommendations is to create a statewide contempt process to focus contempt actions on those cases where other tools have proven unsuccessful, to reduce disparities in case selection and to increase the efficiency of the process when cases are selected for the contempt remedy. Without first changing the governance structure to give CSED the authority to standardize this process, this recommendation will not be able to be effectively implemented. The result will be a considerable investment of time, effort, and money in a renewed system that will be substantially similar to that in operation now.

212 An undertaking of the scope recommended in the Integrated Roadmap will take a concentrated effort of staff, management, and stakeholders dedicated to the child support program. CSED has already sparked interest in making improvements to the program through both the ASDM and Policy BPR projects. This momentum should be continued and built upon as the program moves toward implementing some or all of these recommendations. By understanding the impact that implementing these recommendations can have on the future of the child support program, current staff, management, and stakeholders can become champions of the change, helping to ensure a successful transition. However, a transformation effort of the size and scope of this one will require substantial time and resources to complete successfully. We recommend that CSED does not attempt the full or partial implementation of the Integrated Roadmap without first ensuring that adequate resources are available. Failing to secure adequate resources could lead to the incomplete implementation of the projects undertaken and the interruption of service to the program's customers. While we have identified the key projects and activities that will need to occur and have also provided estimates related to resource and transition time and costs, moving forward with this implementation will require a concerted planning effort by CSED and the dedication of appropriate internal staff to champion the effort.

## Appendix A – Integrated Roadmap

213 Appendix A presents a high-level graphical representation of the Integrated Roadmap, including project timing and high-level milestones. It also depicts the recommended implementation and sequencing strategy between the ASDM and Policy BPR projects.

# RECOMMENDED CSED INTEGRATED IMPLEMENTATION ROADMAP



Minnesota Department of **Human Services**

**LEGEND**

- Projects with ASDM & BPR Components
- Standalone ASDM Projects
- Standalone BPR Quick Win Projects
- Standalone BPR Process-focused Projects
- Standalone BPR Technology-focused Projects
- Creation of Service Delivery Model Roll-out Plan
- Stakeholder Identification and Assessment
- Creation of Change Management Communication Plan
- APDU Updates
- Federal Dialogue and Involvement

\* This project encompasses the Develop and Implement a Plan Related to Potential Policy and Legislative Changes and Develop a Procurement Strategy for System Renewal projects from the Policy BPR Project, as well as many of the Change Management thread activities from the ASDM Implementation Plan