

<b>DEQ: Business Process Improvement</b>		<b>Agency/Program #:</b> 5301-10-I1
		<b>Division:</b> Central Services
		<b>Program:</b> Personnel
<b>Agency Name:</b>	Department of Environmental Quality	
<b>Agency Contact:</b>	Dean Rude	444-4256
<b>LFC Contact:</b>	Representative Ripley, Representative Erickson	
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**Program or Project Description:**

Appropriation, Expenditure and Source					
Fund Name:	2008		2009		Approp & Expenditure numbers are as of April 15, 2008
	Approp.	Expended	Approp.	Expended	
General Fund					
State Special					
Federal Funds					Not Provided
<b>Total:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**Legislative Goal(s):**

Consolidate multiple revenue/accounts receivable/billing/cash processes (RAR) into one uniform system with standardized and more efficient processes administered by the department's Office of Financial Services. Optimize the subdivision review process for efficiency, quality of service and timeliness by utilizing on-line, web-based technology while maintaining environmental protection standards.

**Legislative Performance Measures :**

Accounts Receivable System  
 Work/performance measurement and monthly reporting to project owner:

1. Identify "as is" processes and establish a timeline for completion of work flow documentation for each process within project scope. Provide project owner with monthly reports comparing work progress to scheduled timeline;
2. Schedule conversion, testing and implementation of standard processes for identified systems;
3. Compare average processing time for billing, fee collection, cost recovery, and revenue recognition before and after new system implementation;
4. Evaluate and report effectiveness of online fee collection and cost recovery process; and
5. Assess project cost-effectiveness by documenting achieved benefits and improvements compared to development costs.

Subdivision Permitting Application and Review

1. Identify "as is" processes and establish a timeline for completion of work flow documentation for each process within project scope. Provide project owner with monthly reports comparing work progress to scheduled time line;
2. Schedule conversion and implementation of standard processes for identified systems;
3. Compare incidence of incomplete and deficient applications requiring multiple reviews and repeat correspondence before and after ne
4. Compare number and types of complaints before and after new system implementation;
5. Compare average permit handling time before and after implementation of improvements;
6. Assess project cost-effectiveness by documenting achieved benefits and improvements compared to development costs; and
7. Determine whether subdivision changes could be cost effectively applied in whole or in part to other permit functions.

2009 Biennium Significant Milestones:	Completion Dates	
	Target	Actual
1 Inventory existing RAR systems and document high level "as is" processes for all department programs by June 2008.		
2 Identify common RAR elements, process improvements, standard practices; complete design of uniform RAR system and create on-line, web-based payment processing and convert pilot process by early calendar year 2009		
3 Implement uniform RAR system, including on-line, web-based payment processing for a couple more work units by FYE 2009.		
4 Identify improvements and determine the types of subdivisions that fit on-line application process by June 2008. Create and implement on-line application for selected types of subdivisions by FYE 2009.		

**Agency Performance Report:**

We are on track having completed RAR Project documents including: Project Charter, Business Case, Management Plan, Communication Plan, Quality Assurance Plan, Change Management Plan and MOU with DOA SABHRS to specify working relations between departments. After considerable research and investigation we determined the best solution for meeting DEQ's RAR Project objectives was to purchase and incorporate the Peoplesoft Billing Module into the State's SABHRS enterprise. The module has been purchased and installed. Configuration and testing is currently being performed by SABHRS personnel to integrate the Billing Module into the SABHRS enterprise system to meet DEQ and State requirements. An added benefit of purchasing the Peoplesoft product is the ability for other state agencies to utilize the functionality. Further, operation, maintenance and upgrade costs will be significantly reduced since they will be assumed by DOA - SABHRS and incorporated within their enterprise agreement.) We have completed an inventory of DEQ RAR activities, established business rules, documented "as is processes," specified requirements and tasks, and established project timelines for accomplishing RAR project objectives. We have selected and are in the process of contracting with a Project Manager to oversee and coordinate technical aspects of modifying and integrating legacy system information to the SABHRS Billing Module and we will be adding additional contracted technical staff to facilitate this effort within the month. These contractual commitments and other obligations, such as training and additional software will fully commit our FY08 appropriation.

We have documented subdivision application review business process as part of an ongoing, previously approved project. This information will be utilized as we go deeper into the major subdivision processes. Furthermore, information gathered as we finalize and go live with the small subdivision on-line application, (paper submittal) will be a major piece of developing this effort. Work continues on the on-line application, plans are still to go live in the fall, and testing is currently happening.

**LFD Narrative:**

LFD ASSESSMENT:Warning

DATA RELEVANCE: The data does not specifically address the performance measures, but rather provides an overall update on this progress of the project.

APPROPRIATION STATUS: The agency did not provide an estimate of appropriations and expenditures for this goal. The report does indicate that the FY08 appropriation is fully committed, the workgroup may want to ask what that means. This project was appropriated \$1.8 million over the biennium.

COMMENTS/ISSUE: The agency was able to save significant funding by purchasing a component for the SABHRS system, rather than building a separate system to "talk" with SABHRS. In addition operational expenses of the system will be built into DOA rates, instead of handled by DEQ only.

OPTIONS for the committee:

- 1) accept the ranking and receive another report, 2) accept and eliminate further follow up; or 3) upgrade to on-track.

Version	Date	Author	Change Description
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LFD

5301-10-11-CO-1	12/6/07	Smith
5301-10-11-CW-1	5/21/08	Smith
