

REPRESENTAIVE LUCIANO "LUCKY" VARELA
CHAIRMAN

Representative Rhonda S. King
Representative Brian K. Moore
Representative Henry "Kiki" Saavedra
Representative Nick L. Salazar
Representative Sandra L. Townsend
Representative Jeannette Wallace
Representative Doanld L. Whitaker

State of New Mexico
LEGISLATIVE FINANCE COMMITTEE

325 Don Gaspar • Suite 101, Santa Fe, New Mexico 87501
(505) 986-4550 Fax: (505) 986-4545

DAVID ABBEY
DIRECTOR



SENATOR JOSEPH A. FIDEL
VICE-CHAIRMAN

Senator Sue Wilson Beffort
Senator Pete Campos
Senator Joseph J. Carraro
Senator Phil A. Griego
Senator Timothy Z. Jennings
Senator Leonard Lee Rawson
Senator John Arthur Smith

August 9, 2005

MEMORANDUM

To: Representative Henry "Kiki" Saavedra, Chair
Audit, Computers and Capital Outlay Subcommittee

From: Aurora B. Sánchez, IT Performance Auditor 

Subject: **Follow-up of the November 2003 VOSS Review**

Background. In November 2003, the Legislative Finance Committee (LFC) audit staff issued its review of "Implementation of the Federal Workforce Investment Act of 1998". The review included an assessment of the usability of the Virtual One-Stop System (VOSS). The purpose of VOSS is to provide a single common intake system to collect data for all employment-related services, including the services provided under the Workforce Investment Act.

The review reported one major finding with four subcomponents related to VOSS:

- Lack of User Confidence
- Database control mechanism do not exist to confirm data integrity after migration
- Functionality does not meet user needs
- Application Support.

Review Objectives. The objective of this follow-up review was to determine the status of corrective action based on the recommendations made in the November 2003 review.

Procedures. The procedures performed included, but were not limited to:

- Identifying review findings and recommendations and
- Conducting follow-up interviews with Labor Department (Labor), Office of Workforce Training and Development (OWTD) and the Local Boards' staff.

Exit Conference. The results of the follow-up review were discussed with OWTD on July 20, 2005 and with Labor on August 2, 2005. Both agencies agreed with the contents of this memorandum.

Results of Follow-up. The finding issued in November 2003 has been addressed mainly through familiarity gained using the system or through some training on how to use the system. From the interviews with the staff from the two state agencies and the local boards, the users did not lack confidence in VOSS; they simply did not understand how to use it. Their lack of knowledge was compounded by problems with data conversion from the legacy system.

Confusion about how to use VOSS and data conversion problems also resulted in issues with data integrity and the impression that the system did not meet their needs.

The recommendations for the first three sub-findings were not implemented because the cause for the findings was either poor or no training on how to use the system or problems with data conversion. Although two years of using VOSS has given users hands-on training, formal training from the vendor is required to ensure consistency of use.

The data that converted badly has been cleaned, is no longer in the system or the edit rules have been deactivated so dirty data is not posing a problem. Deactivating the edit rules within VOSS defeats the purpose of defining the business rules that must be followed and including them in the application. It also increases the likelihood of incorrect data being introduced into the database because deactivated edit rules cannot identify data that does not meet the business rules.

The last sub-finding on application support related to:

- Insufficient technical support resources
- Lack of management reporting and customer care oversight
- No effective process to monitor and escalate trouble tickets
- No knowledgebase of known problems and resolutions to help troubleshoot.

This sub-finding has two components. First is the support, ability to track requests for assistance and maintain a knowledgebase at the agency-level, which was Labor’s responsibility. The second is support, ability to track requests for assistance and maintain a knowledgebase by the software vendor. Both entities have a dedicated technical support for VOSS and a system to track and analyze requests for assistance. With the transfer of VOSS to OWTD, this finding now relates to OWTD. Additionally, OWTD has a training section, but does not appear to provide periodic training on VOSS for the users.

Findings. The findings presented identify potential problems the two agencies may face if agreements and good working relationships are not established and implemented. The interviews conducted identified issues that will require attention to ensure that VOSS meets the business needs of all users.

Support. OWTD as the agency responsible for VOSS needs to define and communicate its role and responsibility to the Local Boards and to Labor. It also needs to determine with input from Labor what role Labor will have, draft a memorandum of understanding (MOU) between it and Labor so that the Local Boards understand the separation of responsibilities and whom they should call for help or direction.

OWTD should formalize its help desk to include logging of calls and resolution so that it can better assess system-related issues that need to be reported to the vendor and training-related issues that should be addressed in bulletin updates to all users and at annual training conferences. Another alternative is to partner with Labor, since it already has a help desk. OWTD could avoid redundancy of help desk software and possibly have reduced costs since it will not have to license the software, it could be part of the cost allocation calculation.

Response. OWTD and NMDOL have agreed to continue the technical support functions each has been providing previously—NMDOL provides support for the Wagner-Peyser users and OWTD provides support to the WIA local area users. This was a pragmatic and practical decision based on staff availability and staff knowledge of programs. The inter-agency MOU will codify the support responsibilities of each agency, so that the user base will be able to readily understand the support structure and where they should turn for help. OWTD agrees that the OWTD WIA help desk effort (currently about 20% of an FTE to support approximately 340 users) should be better documented and published for users. OWTD will take steps to improve that process, and investigate the feasibility of sharing the NMDOL help desk software and moving toward a single, unified helpdesk.

Inter-Agency MOU on VOSS. The Office of Workforce Training and Development and the New Mexico Department of Labor both use the VOSS system to provide support to their programs such as WIA, WP, VETS, etc, and to provide services and support to local areas and participants. The system is owned by the OWTD, and the OWTD CIO will act as the Program Manager. The Program Manager will work with the partners to decide on system and operational enhancements. The MOU will establish agency level roles and responsibilities, and is expected to be ready for signature in the near future. The MOU will establish two governance committees:

NM-VOSS Oversight Committee:

- The NM-VOSS Oversight Committee will be comprised of the NM-VOSS Program Manager as chair, one representative from each of the Local Boards, and a representative from each program using NM-VOSS as a reporting platform.
- The Oversight Committee will meet at least monthly, and in coordination with the NM-VOSS Program Manager produce a written monthly report to OWTD on the status of NM-VOSS issues.
- This Oversight Committee will help the partners and users to communicate and address application problems.
- The Oversight Committee will advise the Program Manager on system enhancements as well as policies, operational rules, and regulations.
- The Oversight Committee will establish working subcommittees, including the appointment of outside members as necessary, to fulfill the mission of VOSS.

NM-VOSS Stakeholders Committee:

- The NM-VOSS Stakeholders’ Committee will be chaired by the OWTD Programs/Policies Bureau Chief and will be comprised of the NM-VOSS Program Manager, one representative from each of the Local Boards, a representative from each program using NM-VOSS as a reporting platform, WIA partners, service providers and community organizations who serve special populations that use the NM-VOSS.

- The Stakeholders' Committee will assist the Program Manager by recommending NM-VOSS policies, operational rules, and regulations.
- The Stakeholders' Committee will produce an annual written report for the State Workforce Development Board and the OWTD on the status of NM-VOSS issues.

The Stakeholders' Committee will meet at least quarterly.

VOSS Responsibility. Executive Order 2004-004 transferred responsibility of VOSS to OWTD. However, there is no signed MOU between OWTD and other partners that use VOSS outlining the roles and responsibilities of each, including software licensing; process for requesting changes to the software, allocation of costs for maintaining, upgrading or enhancing the software; or for requesting assistance from the vendor.

Response. Per Executive Order 2004-004, OWTD has accepted responsibility for VOSS operations and planning, as indicated above. The MOU that will provide the administrative underpinnings of this project is in the final stages of inter-agency consultation and editing, and is expected to be ready for agency head signatures in the near future.

Hosting. The VOSS application is no longer hosted by Labor. A definitive decision of where the application will be hosted has not been made, but OWTD has requested a proposal from the General Services Department (GSD). The OWTD needs to determine where VOSS will be hosted to provide the most benefit to all its users (OWTD, Labor, Local Boards, One-Stop Shops). OWTD should establish a baseline for hosting and basic support services based on Labor's current support costs.

If OWTD selects the software vendor, Geographic Solutions (GeoSolutions), it will need to draft a protocol for reporting problems to GeoSolutions, who will have ultimate authority for approving major changes to the system, time frame for approving changes, how cost will be allocated between OWTD and its partners, and how its partners will be notified of upgrades, new functionality, training or testing.

If OWTD selects GSD to host VOSS, it will need to establish a written protocol to:

- allow GeoSolutions to upgrade and troubleshoot the system remotely,
- provide database support,
- determine the level of hardware support, including upgrading of the hardware.

OWTD should also require a written agreement between OWTD, GSD, and OWTD partners regarding the cost of hosting so that costs can be properly allocated.

Whether VOSS is hosted by GSD or the vendor, there should be a service level agreement between the hosting party and those partners who use VOSS to ensure that the expected level of service will be provided and that there are penalties if the hosting entity does not meet the agreed service level. The service level agreement should also include how data will be securely

transferred to and from VOSS to other databases such as the wage systems administered by Labor, the frequency of the data transfer and who will be responsible for transferring and receiving the data.

Response. OWTD has been actively investigating hosting options for the VOSS system. Hosting cost proposals have been obtained, and business cases for hosting are being completed. OWTD will choose the best value proposition that can be identified, which will be a combination of price, services offered, security, reliability, network connectivity, disaster recovery and business continuity preparedness, administrative cooperation, and availability. OWTD is working with GSD on a Service Level Agreement (SLA) that will describe the responsibilities of all parties to the agreement and the penalties to the service provider if the terms of the SLA are not met. A final selection of the hosting site will be made shortly, contingent on the receipt of required information from each of the parties involved.

Training. OWTD should include a session on the use of VOSS in its annual training conferences, especially if there: is new functionality, are new users or new performance measures. If users cannot use VOSS to its full potential or if data is entered incorrectly, data related to performance measures may contain errors. The Local Boards are required to meet established performance measures; however, if the case managers are entering data incorrectly, the accuracy of the data reported on the performance measures is questionable.

Response. Training for Version 7.0 will be important to agency staff and ultimately to local areas and end users in the field. Training issues have not been well addressed in the past. OWTD will develop a training schedule that will allow us to “train the trainers”. These trainers will in turn pass the training information on to the wider network of users. It is imperative that the IT staff and the helpdesk staff have adequate training on Version 7.0, in order to handle the inevitable problems and questions that will arise after the transition to Version 7.0. OWTD recognizes that training is an expensive but vital component of the system’s success.

Migration Plan. If the determination is made to move VOSS back to New Mexico from Florida, OWTD should develop a migration plan before the move, including identification of risks and mitigation strategies. The plan should include the requirements for the environment necessary to host VOSS. OWTD should ensure that the servers moved from Labor to GSD have sufficient capacity and capabilities to properly run VOSS.

Response. OWTD, in consultation with NMDOL and GSI, has been developing a migration plan, including proposed scheduling and milestones. Currently, the proposed go-live date for Version 7.0 in NM is set for mid-September, although requirements of the testing protocols may push that date back if necessary. The testing protocols described earlier in this document will ensure that our hardware capabilities and network connectivity are appropriate for the relocation of the VOSS application Version 7.0 and its associated databases to New Mexico.

OWTD’s Brief Description of New Mexico’s Virtual One-Stop System. An individual living in New Mexico can use this free, state-run web site to investigate a new career, find a good job, locate a suitable education or training program, create effective resumes and job application

letters, plan finances, and find benefits for which they may qualify, in addition to many other useful services.

Employers in New Mexico can post job openings and review the resumes of potential employees. The site helps them analyze local labor markets, review suitable training programs, and access information concerning human resources, legal issues and labor relations.

This system was developed by Geographic Solutions, Inc. of Florida. The contract was awarded to GSI in June 2002, and the system has been successfully implemented and in use by the citizens of New Mexico since October 15th 2002.

Overview of the Virtual One Stop System:

- Over the last three years the VOSS application software has not been upgraded to the most current version, which would have helped the citizens of New Mexico had it been done earlier. There have also been performance issues, although it is not clear whether these issues are primarily driven by lack of user understanding, application problems, connectivity problems, or system issues. As a part of the system improvement plan developed recently by the Office of Workforce Training and Development, we decided to upgrade the application to Version 7.0 and to provide all necessary support to improve network connectivity, application performance, security, and hardware functionality. A principal goal of the system improvement plan is to insure that VOSS is functioning to meet the needs of the local areas and participants.
- The Office of Workforce Training is taking a series of initiatives to enhance performance both on the system level and the user level:
 1. In June 2005 OWTD retained Dr. Stephen Easley, former Deputy CIO for the state, as our new agency CIO to oversee the VOSS project, serve as the Program Manager, and assure that issues are identified, addressed and resolved in a timely fashion.
 2. OWTD is developing business cases based on best practices to resolve the hosting issues for this system and determine which hosting solution provides the best value proposition for the state. OWTD has received hosting cost proposals from GSD and GSI.
 3. OWTD has relocated all of the VOSS servers to the GSD data center in Santa Fe for maintenance, performance testing, and software upgrades. Performance testing will allow OWTD to determine the sufficiency of the hardware and network connectivity for the VOSS application demands. GSD is not charging OWTD for hosting services during this test period.
 4. The hosting of the live NM-VOSS system has been co-located with GSI in Florida for at least 90 days at no additional charge to the state. This allows OWTD to performance test our hardware, and allows GSI to migrate state data into the Version 7.0 environment.

5. OWTD has been working with NMDOL and GSI to resolve numerous application technical and performance issues that have become apparent during the transition to Version 7.0.
6. OWTD will be able to benchmark the VOSS 7.0 application performance for several weeks while the application is live in Florida, and then again when the application moves back to NM. This will help OWTD to better identify and fix any performance bottlenecks that may become apparent.
7. OWTD is in the final stages of developing a detailed MOU between the partners and local participants currently using the NM-VOSS system that will clarify administrative, financial, and management responsibilities for the system.
8. OWTD and NMDOL are working on a detailed plan that will identify and define all staff roles and responsibilities on the project.
9. OWTD, in consultation with NMDOL and the USDOL, has developed a cost-allocation plan to properly allocate the administrative and operational costs of the system.
10. OWTD is organizing a NM-VOSS Oversight Committee, which will include representatives of all the local participants, users and partners.
11. OWTD is organizing a NM-VOSS Stakeholders’ Committee, which will include representatives of all the local participants, users and partners and will facilitate the flow of information about the system between the state agencies and users in the field.
12. OWTD is developing an issue escalation plan, so that the end-level users can address their issues and problems to the NM- VOSS Oversight Committee when necessary.
13. OWTD and NMDOL have had numerous meetings and discussions to improve staff morale, interagency trust and intra-project communications.

MEMORANDUM

Date: August 9, 2005

To: Henry "Kiki" Saavedra, Chair
Audit, Computers and Capital Outlay Subcommittee

From: Reese Fullerton, OWTD Executive Director
Dr. Stephen Easley, OWTD Chief Information Officer

Re: Response to the July 2005 VOSS Review

Brief Description of New Mexico's Virtual One-Stop System:

An individual living in New Mexico can use this free, state-run web site to investigate a new career, find a good job, locate a suitable education or training program, create effective resumes and job application letters, plan finances, and find benefits for which they may qualify, in addition to many other useful services.

Employers in New Mexico can post job openings and review the resumes of potential employees. The site helps them analyze local labor markets, review suitable training programs, and access information concerning human resources, legal issues and labor relations.

This system was developed by Geographic Solutions, Inc. of Florida. The contract was awarded to GSI in June 2002, and the system has been successfully implemented and in use by the citizens of New Mexico since October 15th 2002.

Overview of the Virtual One Stop System:

- Over the last three years the VOSS application software has not been upgraded to the most current version, which would have helped the citizens of New Mexico had it been done earlier. There have also been performance issues, although it is not clear whether these issues are primarily driven by lack of user understanding, application problems, connectivity problems, or system issues. As a part of the system improvement plan developed recently by the Office of Workforce Training and Development, we decided to upgrade the application to Version 7.0 and to provide all necessary support to improve network connectivity, application performance, security, and hardware functionality. A principal goal of the system improvement plan is to insure that VOSS is functioning to meet the needs of the local areas and participants.
- The Office of Workforce Training is taking a series of initiatives to enhance performance both on the system level and the user level:

1. In June 2005 OWTD retained Dr. Stephen Easley, former Deputy CIO for the state, as our new agency CIO to oversee the VOSS project, serve as the Program Manager, and assure that issues are identified, addressed and resolved in a timely fashion.
2. OWTD is developing business cases based on best practices to resolve the hosting issues for this system and determine which hosting solution provides the best value proposition for the state. OWTD has received hosting cost proposals from GSD and GSI.
3. OWTD has relocated all of the VOSS servers to the GSD data center in Santa Fe for maintenance, performance testing, and software upgrades. Performance testing will allow OWTD to determine the sufficiency of the hardware and network connectivity for the VOSS application demands. GSD is not charging OWTD for hosting services during this test period.
4. The hosting of the live NM-VOSS system has been co-located with GSI in Florida for at least 90 days at no additional charge to the state. This allows OWTD to performance test our hardware, and allows GSI to migrate state data into the Version 7.0 environment.
5. OWTD has been working with NMDOL and GSI to resolve numerous application technical and performance issues that have become apparent during the transition to Version 7.0.
6. OWTD will be able to benchmark the VOSS 7.0 application performance for several weeks while the application is live in Florida, and then again when the application moves back to NM. This will help OWTD to better identify and fix any performance bottlenecks that may become apparent.
7. OWTD is in the final stages of developing a detailed MOU between the partners and local participants currently using the NM-VOSS system that will clarify administrative, financial, and management responsibilities for the system.
8. OWTD and NMDOL are working on a detailed plan that will identify and define all staff roles and responsibilities on the project.
9. OWTD, in consultation with NMDOL and the USDOL, has developed a cost-allocation plan to properly allocate the administrative and operational costs of the system.
10. OWTD is organizing a NM-VOSS Oversight Committee, which will include representatives of all the local participants, users and partners.
11. OWTD is organizing a NM-VOSS Stakeholders' Committee, which will include representatives of all the local participants, users and partners and will facilitate the flow of information about the system between the state agencies and users in the field.
12. OWTD is developing an issue escalation plan, so that the end-level users can address their issues and problems to the NM- VOSS Oversight Committee when necessary.

13. OWTD and NMDOL have had numerous meetings and discussions to improve staff morale, interagency trust and intra-project communications.

Additional comments regarding the 2005 performance review findings:

Support: OWTD and NMDOL have agreed to continue the technical support functions each has been providing previously—NMDOL provides support for the Wagner-Peyser users and OWTD provides support to the WIA local area users. This was a pragmatic and practical decision based on staff availability and staff knowledge of programs. The inter-agency MOU will codify the support responsibilities of each agency, so that the user base will be able to readily understand the support structure and where they should turn for help. OWTD agrees that the OWTD WIA help desk effort (currently about 20% of an FTE to support approximately 340 users) should be better documented and published for users. OWTD will take steps to improve that process, and investigate the feasibility of sharing the NMDOL help desk software and moving toward a single, unified helpdesk.

VOSS Responsibility: Per Executive Order 2004-004, OWTD has accepted responsibility for VOSS operations and planning, as indicated above. The MOU that will provide the administrative underpinnings of this project is in the final stages of inter-agency consultation and editing, and is expected to be ready for agency head signatures in the near future.

Hosting: OWTD has been actively investigating hosting options for the VOSS system. Hosting cost proposals have been obtained, and business cases for hosting are being completed. OWTD will choose the best value proposition that can be identified, which will be a combination of price, services offered, security, reliability, network connectivity, disaster recovery and business continuity preparedness, administrative cooperation, and availability. OWTD is working with GSD on a Service Level Agreement (SLA) that will describe the responsibilities of all parties to the agreement and the penalties to the service provider if the terms of the SLA are not met. A final selection of the hosting site will be made shortly, contingent on the receipt of required information from each of the parties involved.

Training: Training for Version 7.0 will be important to agency staff and ultimately to local areas and end users in the field. Training issues have not been well addressed in the past. OWTD will develop a training schedule that will allow us to “train the trainers”. These trainers will in turn pass the training information on to the wider network of users. It is imperative that the IT staff and the helpdesk staff have adequate training on Version 7.0, in order to handle the inevitable problems and questions that will arise after the transition to Version 7.0. OWTD recognizes that training is an expensive but vital component of the system’s success.

Migration Plan: OWTD, in consultation with NMDOL and GSI, has been developing a migration plan, including proposed scheduling and milestones. Currently, the proposed go-live date for Version 7.0 in NM is set for mid-September, although requirements of the testing protocols may push that date back if necessary. The testing protocols described earlier in this document will ensure that our hardware capabilities and network

connectivity are appropriate for the relocation of the VOSS application Version 7.0 and its associated databases to New Mexico.

Inter-Agency MOU on VOSS: The Office of Workforce Training and Development and the New Mexico Department of Labor both use the VOSS system to provide support to their programs such as WIA, WP, VETS, etc, and to provide services and support to local areas and participants. The system is owned by the OWTD, and the OWTD CIO will act as the Program Manager. The Program Manager will work with the partners to decide on system and operational enhancements. The MOU will establish agency level roles and responsibilities, and is expected to be ready for signature in the near future. The MOU will establish two governance committees:

NM-VOSS Oversight Committee:

- The NM-VOSS Oversight Committee will be comprised of the NM-VOSS Program Manager as chair, one representative from each of the Local Boards, and a representative from each program using NM-VOSS as a reporting platform.
- The Oversight Committee will meet at least monthly, and in coordination with the NM-VOSS Program Manager produce a written monthly report to OWTD on the status of NM-VOSS issues.
- This Oversight Committee will help the partners and users to communicate and address application problems.
- The Oversight Committee will advise the Program Manager on system enhancements as well as policies, operational rules, and regulations.
- The Oversight Committee will establish working subcommittees, including the appointment of outside members as necessary, to fulfill the mission of VOSS.

NM-VOSS Stakeholders Committee:

- The NM-VOSS Stakeholders' Committee will be chaired by the OWTD Programs/Policies Bureau Chief and will be comprised of the NM-VOSS Program Manager, one representative from each of the Local Boards, a representative from each program using NM-VOSS as a reporting platform, WIA partners, service providers and community organizations who serve special populations that use the NM-VOSS.
- The Stakeholders' Committee will assist the Program Manager by recommending NM-VOSS policies, operational rules, and regulations.

- The Stakeholders' Committee will produce an annual written report for the State Workforce Development Board and the OWTD on the status of NM-VOSS issues.
- The Stakeholders' Committee will meet at least quarterly.