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P R O C E E D I N G S

TUESDAY, JANUARY 29, 2008

(2:00 p.m.)

CHAIR RATH: Okay. We'll go ahead and
get started and come to order.

Mr. Temple.

MR. TEMPLE: Thank you, Commissioners.

I will let Dee kick off. I think we've got everybody
here.

MR. MEADOR: Good afternoon,

Commissioners. Welcome to the 10th IT Work Session,
Quarterly IT Work Session. I'm going to start out by
giving you another brief overview of how the Data
Center Consolidation Project is going.

As I indicated, we're now in Month 10.

In the past couple of months we have seen some
improvement in the day-to-day operations and system
stability. We're continuing to provide very close
oversight but -- and now contingency staffing levels
are very low.

According to DIR, this uptick in the
day-to-day operations is a general trend across all
the agencies. So -- so, that's good news, especially
since that was really the number one priority in this
whole deal, was getting our operation stabilized.

1 There is still much room for improvement
2 in other areas, including procurements and solution
3 requests, critical deliverable, such as disaster
4 recovery and technology plans, the quality of invoices
5 and transformation planning. Those are still areas in
6 need of improvement.

7 Problems in those areas are also common
8 themes among the other affected agencies. So, that's
9 it as far as the general, sort of, day-to-day
10 operational components of this and how that's going.
11 Do y'all have any questions on that? I'm going to
12 talk about transformation, as well.

13 (No response)

14 MR. MEADOR: Okay.

15 As my e-mail to you last Thursday
16 indicated, the March 8th date to move the mainframe,
17 many of our servers, print and mail, has been
18 postponed. We're in the process of establishing new
19 dates.

20 It became apparent that the primary
21 network circuit between TWC and the Austin Data Center
22 would not be in place in time for the first TWC
23 transformation test scheduled for this upcoming
24 weekend. We also did not believe that a backup
25 circuit would be in place by March 8th, which was the

1 date we were to have gone to production, and we did
2 not think it was advisable to move to the production
3 Data Center without a backup circuit in place. There
4 were some other issues that drove the postponement,
5 but those were the real major barriers, the network
6 circuits.

7 And as I indicated, we are in the
8 process of establishing new dates with IBM. The new
9 dates will include two testing periods, which --
10 during which our applications will be unavailable for
11 approximately 18 hours while IBM takes full backups of
12 TWC's systems.

13 They'll use these backups to create a
14 fully functional copy of TWC's environment at the
15 Austin Data Center. The Austin Data Center copy to
16 our system will be made available to TWC IT and
17 Business staff for testing, including the running of
18 most of our BAT (phonetic) cycles.

19 On the actual transformation date, to be
20 determined, systems may be unavailable for up to 72
21 hours. Just as a note of consolation, if there is a
22 major problem on the transformation weekend, we do
23 have a fallback plan, which will be to restore
24 operations in our own TWC Annex, because the equipment
25 is remaining there. So, we're -- we pushed for having

1 that as a backup plan.

2 So far to date only one agency has
3 actually moved to the Austin Data Center, and that's
4 the Texas State Library and Archives, a relatively
5 small agency. All of the first weighed agencies have
6 slipped for a variety of reasons, and the way things
7 are looking, it's likely that subsequent weighed
8 agencies' schedules will be adjusted as well. So,
9 that's it on transformation.

10 One other note before I turn it over the
11 Gene to talk about invoices and the -- the financial
12 side of this, the State Auditor's Office is doing an
13 audit of the DCS contract. They're looking at general
14 controls, the human resources aspect of it and the
15 invoices and financial side of it. And Gene and I
16 actually met with the -- the SAO on the invoices so
17 that they could get our perspective on -- on where
18 things stand with the invoices, with TWC at this
19 point.

20 CHAIR RATH: I have one question, but it
21 might be covered under Gene's portion of the financial
22 impact to the agency of the postponement. So, is that
23 going to be covered in yours or --

24 MR. CRUMP: No, ma'am. You may want
25 to --

1 MR. MEADOR: I can speak to it.

2 CHAIR RATH: Okay.

3 MR. MEADOR: I do not believe there is
4 any financial impact to our agency for the
5 postponement. I believe IBM is going to have some
6 financial ramifications from it, because they're
7 having to maintain a second mainframe, servers, all
8 the associated hardware and software fees with those,
9 both here and at the Austin Data Center. So, I
10 believe the financial impact will be on them and not
11 on us.

12 MR. CRUMP: Good afternoon,
13 Commissioners. For the record, Gene Crump.
14 Basically, building off of Dee's comments, we're still
15 working invoices from last April and May. There are
16 still disputed items.

17 To kind of give you a timeline, at one
18 time we thought that Team for Texas was moving
19 forward. We actually have weekly -- staff has weekly
20 conference calls with DIR and Team for Texas. So, I
21 stepped in in January, advised DIR that I would start
22 participating in those calls.

23 Ken Weiss, who is now the Senior
24 Project Manager at IBM, also participated. So, Ken
25 committed to having all the invoice issues corrected

1 in two to four weeks.

2 Dee's staff gave me an update. So, I
3 don't -- I don't go to every week. So, he gave me an
4 update of last week's meeting.

5 I let Ken know that there were several
6 issues outstanding. I'd be participating in
7 Thursday's call. Ken indicated he would. He'll have
8 his deputy there.

9 So, hopefully we will get the final
10 issues for the April and May invoices complete. It
11 could be substantial savings relative to what was
12 billed on the invoice.

13 Once that occurs, it's actually a
14 continuing problem, and it -- it falls in two
15 categories, WebSphere and DB2 Services. And so what
16 will happen is, is the invoices then for June, July
17 and August will have to be rerun. And it will take
18 Team for Texas about two weeks to rerun each invoice,
19 because they have to go and rerun all of the cycles.

20 But we -- hopefully, we'll see some
21 significant savings from that. And so -- I mean, I'm
22 continuing our monthly meetings with Executive
23 Director, Brian Rawson of DIR to share operational
24 concerns and also billing issues. So, we're raising
25 this level -- we're raising these issues to the

1 highest levels we can.

2 CHAIR RATH: Any questions?

3 COMM. LEHMAN: Are those invoice --
4 are -- are the substance of those fundamental
5 disagreements and confrontations about the -- the
6 issue, or are they merely growing pains or human error
7 type things --

8 MR. CRUMP: I --

9 COMM. LEHMAN: -- or categorization kind
10 of things?

11 MR. CRUMP: Commissioner Lehman, we
12 could call them growing pains. In -- in effect, IT --
13 TWC IT staff have found errors in the billing
14 mechanism that Team for Texas developed.

15 COMM. LEHMAN: Okay.

16 MR. CRUMP: So, they have -- in -- in
17 essence, they double-billed us in several areas. They
18 double-counted cycles. Their sequential posturing as
19 they put the invoice together was incorrect, and
20 they've agreed with that.

21 So, they're just going back and having
22 to rerun those.

23 COMM. LEHMAN: So, system bugs kind of
24 things, as opposed to absolute disagreements with the
25 cost?

1 MR. CRUMP: Yes, sir.

2 COMM. LEHMAN: Okay. Thanks.

3 MR. CRUMP: If I could change topics
4 quickly -- oh, I'm sorry. Are -- are there any other
5 questions about Data Center Services, Commissioners?
6 I mean, that's -- that's kind of where we are.

7 I -- I would commit to you that between
8 IT staff, under Dee's leadership, and staying in
9 communication with DIR, everyone's aware of what we're
10 tracking pretty much on a daily basis. We don't let
11 them -- (laughter) -- we don't let it go too far.

12 MR. MEADOR: Gene, we might want to add
13 that we have not received an invoice for Fiscal Year
14 '08 yet.

15 MR. CRUMP: Oh, right.

16 MR. MEADOR: We have not received an
17 invoice for even September. We've been told we should
18 expect one by the end of this week.

19 MR. CRUMP: Right.

20 MR. MEADOR: We'll see.

21 MR. TEMPLE: I visited with Albert
22 Hawkins, Commissioner Hawkins, last week and he --
23 Gene and Albert and I were talking about the Data
24 Center. They -- they, too, have not received -- Human
25 Services Enterprise has not received not one invoice

1 for '08 either, and they're still trying to reconcile
2 their previous billings.

3 And -- and I will say this and -- and
4 give Gene and Dee credit, Albert said, "Gosh, I wish
5 we would have thought of that," that we bill them for
6 our time. He said that he didn't think that they had
7 put that in their contract. So --

8 CHAIR RATH: Very good.

9 MR. CRUMP: So, Commissioners, moving
10 on, I -- I hope I'm answering a question before it's
11 asked. If you look at the table of contents for this
12 week's meeting, you'll notice that there is many fewer
13 projects than when we first started meeting --

14 MR. TEMPLE: Many fewer.

15 MR. CRUMP: Many fewer --

16 (Laughter)

17 MR. CRUMP: -- when we started this
18 process quite a bit of time ago. So, as we look
19 forward to the LAR for '10 and '11 and, certainly,
20 the -- the operating budget for '09, Dee's staff
21 compiled a list of potential IT applications that had
22 been mentioned either at Commission Meeting or by
23 Program staff.

24 We have sent that to the Division
25 Directors, and so the IT Steering Committee will meet

1 on February 5th to begin to look at that list. Once
2 we kind of get our thoughts around that list, we'll
3 come and visit with each of you privately to find out
4 other things that y'all might have considered y'all
5 would like to see on the list. Then, we'll start to
6 look at that and put that in either to the '09 budget
7 or the LAR for '10 and '11.

8 So, that will be the process. So,
9 we're -- if you want to say we're starting the
10 strategic planning process for FY '10 and '11, that
11 is, in fact, happening. But there could be some items
12 that have been discussed that we could fit into Fiscal
13 Year '09, depending on funding and capacity of staff
14 to handle those things.

15 MR. MEADOR: Okay. There were just a
16 couple of other small items I wanted to relate, in
17 terms of sort of general IT.

18 IT is putting together a customer survey
19 on IT services. We expect to have it distributed by
20 the end of February. We're going to include all call
21 center managers and a sampling of 10 percent of TWC
22 staff.

23 The last survey was done in the fall of
24 2004. And since IT is largely a customer service
25 organization, we think these surveys provide valuable

1 input to make us more effective. So, we're looking
2 forward to getting those out and finding out from our
3 user community how they perceive our services.

4 Y'all may have heard that the Department
5 of Labor auditors are here. They started last --
6 well, January 23rd, and they're going to be here
7 through the end of February.

8 The focus of their audit is on
9 contingency planning as it relates to UI systems. We
10 believe they'll find our plans and testing processes
11 to be sound and comprehensive. We're -- we're working
12 very closely with them and Internal Audit.

13 They also will be, if the -- as time
14 allows, revisiting the (inaudible) audit findings from
15 2005.

16 CHAIR RATH: Very good.

17 Any questions?

18 COMMISSIONERS: (Shaking heads)

19 MR. MEADOR: Any questions?

20 COMMISSIONERS: (Shaking heads)

21 MR. MEADOR: Okay. That's all I have.

22 LaSha, are you ready to start the UI
23 projects?

24 MS. LENZY: Good afternoon,
25 Commissioners. For the record, LaSha Lenzy.

1 In your notebook under Tab 2 we have two
2 projects listed here. The first one being UI claim
3 status.

4 The project is underway, and at the last
5 session we had reported that we believed the end of
6 July as our completion date. That date has not
7 changed.

8 Staff has been working to add a little
9 more information to the on-line system that we didn't
10 have on the IVR system that we currently have today.
11 So, we're certainly hoping that those additional
12 changes will help in relieving some of our telecenter
13 workload that we're having currently on phone calls.

14 If you move to the next one, which is
15 our UI Tax Registration Project there's only one phase
16 remaining in this project, and we should be wrapped up
17 in the next 30 days. This one will drop out of your
18 notebook, as well.

19 We might have one to replace it. Who
20 knows. (Laughter)

21 Otherwise, I will report that IT and
22 Program staff do have briefings scheduled with your
23 offices next Tuesday and Wednesday where we'd like to
24 sit down and discuss further the electronic appeals
25 option and share with you what we've learned from

1 other states that are doing it. I think Florida was
2 probably the most interesting one that we found.

3 There was about 11 states that are doing
4 them over the Internet. So, we'd like to discuss some
5 of those things with you and seek input from you-all
6 as we move forward and proceed on that.

7 That's all that we have in our notebook
8 for today. If anybody has any questions, I'll try,
9 (laughter) or I'll pick on someone else.

10 CHAIR RATH: It doesn't look like it.
11 Thanks.

12 MS. LENZY: Thank you.

13 MR. JONES: Good afternoon,
14 Commissioners. For the record, I'm Larry Jones with
15 Workforce Development. I have three projects to tell
16 you about this afternoon, including WorkInTexas.com,
17 the General Enhancements Overview, ES-UI Integration
18 Phase 3 and Child Care Attendance Tracking.

19 To start with WorkInTexas.com and our
20 General Enhancements Overview, I think that you know
21 by now that we have been doing some discussions with
22 Job Central Linkages for WorkInTexas.com, and that is
23 our highest priority right now for WorkInTexas.com.
24 Work in -- is in progress right now with the Job
25 Central enhancements and the other two projects listed

1 in your book, the Ad Hoc Reporting Framework and the
2 Message Center.

3 I have further information on any of
4 these, if you have questions on those. But right now
5 our main effort is dedicated to the Job Central
6 function here.

7 CHAIR RATH: Questions?

8 (No response)

9 MR. JONES: I will then move smartly to
10 the ES-UI Integration. I would tell you two things to
11 start that.

12 One is there's a couple of places in
13 your notebook where IVR is defined as Interactive
14 Voice Recognition. That should correctly be
15 Interactive Voice Response. So, I apologize for that.

16 I've asked today -- I want to introduce
17 to you, first, Chuck Ross. And I know y'all know
18 Chuck, and he's been to your office. He is our
19 Program Manager from Workforce Development for this
20 project.

21 And Jodi Ashlock -- Jodi, would you
22 stand a moment? Yes.

23 And Jodi is our IT Program Manager for
24 this project. Because -- when we say ES-UI
25 Integration Phase 3, commonly Jesse Lewis will

1 immediately jump to Concurrent Registration. So, I
2 want to clear that up and point out that there's a lot
3 more to the project than just the Concurrent
4 Registration.

5 (Laughter)

6 MR. JONES: So, for that reason, I've
7 asked Jodi to come forward and do a very short
8 presentation. It's only 7 slides and to sort of show
9 you how the three steps to Phase 3 fit together.

10 So, with that, Jodi.

11 MS. ASHLOCK: Hi, Jodi Ashlock. You
12 won't be seeing your presentation up there. I've
13 given you a handout that's separate that we'll be
14 walking through today. I'm here to give a brief --

15 CHAIR RATH: Excuse me. So, it's going
16 to be this handout that we got?

17 MS. ASHLOCK: Yes, ma'am.

18 CHAIR RATH: Okay.

19 MS. ASHLOCK: Yes. I'm here to give you
20 a brief presentation on ES-UI Integration Phase 3, as
21 Larry said, and we'll be reviewing the phases, some
22 key components and some timelines. So, if you'd turn
23 to Page 2.

24 The first thing we'd like to discuss is
25 that there were a couple of phases that have already

1 been completed for the ES-UI projects. Phase 1, which
2 was getting data from the UI Benefits system into the
3 Work In Texas application was completed. Phase 2 was
4 improving the quality of the work registrations, and
5 that phase has also been completed. And we're
6 currently working on Phase 3, which are some software
7 and hardware upgrade -- upgrades and Concurrent
8 Registration.

9 So, if you would turn to Page 3. The
10 ES-UI Phase 3 Project actually has three miniprojects,
11 if you will, within it.

12 The first one is upgrading the IVR
13 equipment. The second one is the Apply for Benefits
14 rewrite, and the third one is Concurrent Registration.
15 And if you'll turn to the next page, I'll explain each
16 of those in a little more detail.

17 The upgrade of the Interactive Voice
18 Response equipment is being done in conjunction with
19 this project. One of the things that we needed to do
20 this for is because that the maintenance and support
21 contract would run out at the end of December 2008.

22 This will also -- upgrading this
23 equipment will allow the IVR to handle increased claim
24 intake for the work registration process. So, it is
25 one of the foundation projects, if you will, for this

1 is the Concurrent Registration. And once the two
2 foundation projects are completed, we'll -- we're --
3 we are actually moving forward with this project
4 currently. It's been -- we've been gathering the --
5 the information for what needs to be included in the
6 registration.

7 There are basically two ways that you
8 apply for benefits, as you-all know, over the Internet
9 or over the phone. And what this will be is the
10 integration of the work registration process that the
11 claimants are required to complete in order to
12 complete, not only applying for benefits but actually
13 registering for work at the same time. This will
14 entail integrating the work registration process
15 throughout the apply for benefits Internet process,
16 and then we'll be moving new IVR questions and
17 rewriting a lot of the CSR screens in order to
18 accomplish the integration of the registration in that
19 process, as well.

20 And then the last slide that you have is
21 simply a high-level timeline of the different pieces
22 of the application and when we're expected to go live
23 and complete our deliverables on those.

24 CHAIR RATH: Any questions for Jodi?

25 COMMISSIONERS: (Shaking heads)

1 MR. TEMPLE: Commissioners, I'd -- I'd
2 like to give you a little update. On this, we
3 identified -- LaSha has identified that the workload
4 associated with work registration appeals is about 16
5 FTEs. This initiative, once completed, should
6 alleviate, hopefully, that workload to the degree that
7 we'll be able to move those FTEs over toward our
8 customer service reps, our CSRs.

9 But also, between now and then, we're
10 going to work with the CSRs so they've got training on
11 how to really assist someone in putting in a really
12 meaningful job registration, work registration so that
13 we're assured that we get good matches in the process.
14 So, we're going to look at best practices. A lot of
15 our boards have some really good follow-up techniques
16 that they use, and -- and -- and we'll work with Scott
17 Eychner who's -- who's now working on some enhanced
18 key word technology and that sort of thing.

19 LaSha.

20 MS. LENZY: Oh, yes. We did start
21 conversations with -- with Workforce on going ahead
22 and developing some training for our CSRs, because
23 they have not been used to taking work search or
24 work -- I'm sorry, work application information. So,
25 we do want it to be a quality application so that it

1 will match up with -- with jobs, because if you're not
2 taking the right information, then obviously it's --
3 it's worthless.

4 There's currently activities that go on
5 in the workforce centers that's associated with work
6 assisted work application, and Workforce staff has
7 looked at how many FTEs or how many staff hours are
8 associated with that function. And so we're hoping
9 that that will help us in relieving some of the FTE
10 need that we'll have in the telecenters, as well.

11 We've identified -- it's going to be
12 a -- a little more than 16 total, but we've identified
13 at least 16 from our Appeals area as a result of not
14 having those hearings to have to hold. And then a few
15 more, as I said, would come from staff hours that
16 we've identified that are currently being done in the
17 board areas.

18 MR. TEMPLE: And we're going to begin
19 that training to where we'll be ready to go live, you
20 know, this time next year. So --

21 MS. LENZY: We got a big head start.

22 MR. TEMPLE: -- so we got -- so a lot
23 of -- a lot of heads to train --

24 MS. LENZY: That's a lot of people.

25 (Laughter)

1 MS. LENZY: Thank you.

2 CHAIR RATH: And let me say that I
3 thought the handout was really helpful, and the
4 briefings, I know, were helpful. So, thank you.

5 MR. JONES: To continue, Commissioners,
6 I would tell you that this project, ES-UI Integration
7 Phase 3 was selected for QAT monitoring. We submitted
8 the first report to them on the 14th of December,
9 which was on time. Given the timeframe that you saw
10 in the briefing that Ms. Ashlock presented, we are on
11 time and on schedule for all of those projects, those
12 three steps to this one project.

13 We were asked to take a look at this.
14 Mr. Temple asked us if we could take a look at the
15 entire project and see if there was some way to
16 shorten this project up and bring on the Concurrent
17 Registration in faster fashion or whatever.

18 Given that the these represent a sort of
19 building block approach -- and as you see from the
20 high view timeline, we don't feel right now that
21 that's possible. However, we have set some times here
22 for us to relook at that as we progress.

23 So, we will look as we proceed if,
24 indeed, there's room for us to shorten this up and
25 have everything on board quicker than February, about

1 year from now. So, we'll still review that.

2 MR. TEMPLE: But -- but we are able to
3 put some of these other -- like, the -- the upgrades
4 and the hardware and the IVR and those upgrades will
5 go in prior to that. So, we're not waiting for all of
6 it at one time to flip a switch. Those things that
7 can move forward earlier, we're -- we're doing so.
8 So --

9 MR. JONES: That's correct.

10 We're on schedule, for instance, with
11 the IVR hardware/software replacement. That should
12 come on within the next three months.

13 All of this is -- is mentioned in your
14 book, but I just wanted to reiterate that. The Apply
15 for Benefits rewrite, we're about 75 percent done on
16 the preliminary design, about 30 percent done on the
17 detailed design. So, we're proceeding nicely.

18 Concurrent Registration, the project
19 start-up and planning is about 95 percent complete.
20 Preliminary design is about 10 -- 20 percent complete,
21 and the detailed design is about 10 percent complete.

22 So, all of those are progressing
23 according to the timeline that we've shown you here.
24 And that would conclude my comments on the project,
25 and if you have any questions, I would answer those.

1 (No response)

2 CHAIR RATH: (Shaking head) Go ahead.

3 MR. JONES: Okay. Wonderful.

4 Then, we will move to the third project
5 that I wanted to discuss today, which is the Child
6 Care Automated Attendance Tracking. We're currently
7 right now under procurement review.

8 We've sent the RFO to the OAG. That
9 went over there on the 15th of January. Your offices
10 were notified at that time.

11 My notes say that we're due a response
12 on the 29th of January. That would be today. So,
13 hopefully, by the end of January we'll have a response
14 back from the OAG.

15 We estimate at this time that we should
16 be able to release that, either in February or March,
17 the RFO, and intend to sign a contract, then, sometime
18 in the next two to three months.

19 CHAIR RATH: Can I ask you why you said
20 it might be released in March? Because all of my
21 information was that it should be released within the
22 next couple of weeks once it's back from an OAG
23 review.

24 MR. JONES: Yes, ma'am. As soon as it
25 gets back, we will release that.

1 CHAIR RATH: Okay. Thank you.

2 MR. JONES: Okay.

3 The second part, then, having broken
4 this into two parts at your direction, is the
5 electronic funds transfer portion. And as you know,
6 staff has developed a concept paper to make
7 recommendations on EFT payment methods and presented
8 this to you at Commission Meeting on December 18th.

9 At your request, then, we went back to
10 survey workforce boards and determined their local
11 needs for procurement by TWC. That is a general
12 procurement for all to join in for either EFT or debit
13 card services.

14 The response that we got back from the
15 boards was really a mixed bag. Responses indicate
16 that some local areas would prefer to establish their
17 own services. Others would agree to a procurement
18 initiated by the state with an option for them to
19 participate.

20 And so what we got back was 11 boards
21 said, "Yes, TWC initiate a procurement for us to join
22 in." Seven boards responded, "No." Two boards were
23 undecided, and eight boards did not decide anything.
24 So, it's truly a mixed bag.

25 We will be meeting with Cindy

1 Silberman's people in Business Operations Department,
2 and the Office of General Counsel will join us. That
3 meeting is established for tomorrow, and at that
4 meeting we will come up with some recommendations to
5 present to you regarding how we should proceed with a
6 procurement.

7 And so that's what I would have to tell
8 you on Child Care Automated Attendance. Are there any
9 questions?

10 CHAIR RATH: Questions?

11 COMMISSIONERS: (Shaking heads)

12 MR. JONES: Okay. Thank you.

13 MS. BENTON: Good afternoon,
14 Commissioners. Joann Benton from Regulatory
15 Integrity, and I have two projects to provide status
16 on today. If you'll turn to Tab 4 in your notebooks.

17 The first one we'll discuss is the BPC
18 Collection Redesign Project, and I am pleased to
19 report that the project continues to move along well.
20 And the Project Team is making good progress on all
21 the subprojects. There have been no adjustments to
22 the budget during this quarter, and expenditures are
23 running according to plan.

24 Commissioners, you will recall that the
25 purpose of the BPC Project is to reduce or eliminate

1 inefficient manual collection processes, increase the
2 recovery of overpayments and improve the accuracy of
3 overpayment reporting. If you'll turn to Page 2, you
4 will note that we have amended the high level timeline
5 to account for the DCS Transformation.

6 The Batch Architecture subproject
7 timeline was affected, and the first phase is now
8 projected for completion in April. However, the good
9 news is that, overall, project completion is still on
10 track for September 2009.

11 Regarding the status of the subprojects,
12 I would like to point out that over the last few
13 months the Comptroller Warrant Hold process was
14 finalized and implemented into production. System and
15 unit tests were completed, and we have already
16 established 5600 warrant hold accounts with the
17 Comptroller.

18 In addition, we have identified another
19 much larger population of two to three hundred
20 thousand individual accounts subject to warrant holds
21 and are in process of scheduling that work into
22 production.

23 CHAIR RATH: Can you say that one more
24 time?

25 MS. BENTON: Yes, ma'am. We -- we have

1 established 5600 --

2 CHAIR RATH: Right.

3 MS. BENTON: -- warrant hold accounts
4 with the Comptroller. In addition, we have identified
5 another much larger population of 2- to 300 thousand.

6 CHAIR RATH: That's what I thought you
7 said. Thank you.

8 MS. BENTON: Yes, ma'am.

9 COMM. CONGLETON: What -- can you
10 elaborate on warrant holds? Tell me exactly what that
11 is.

12 MS. BENTON: Yes, sir, Commissioner.
13 What that is, is where we have overpayments that
14 people that are in our system -- because, by Texas
15 law, we can't write off debts, and this -- these go
16 back to the beginning of the time that we started
17 putting these things in our system years and years and
18 years back.

19 We have -- we will send identifier for
20 that -- that account to the Comptroller. And if the
21 Comptroller has some reason to pay that identified tax
22 payer ID payment from the state, it will flag it and
23 will hold it to notify that individual that there's a
24 debt outstanding with the Texas Workforce Commission
25 and to get in touch with us to resolve that debt. And

1 that's how it works.

2 CHAIR RATH: Now, can you elaborate on
3 that 200 to 300 thousand?

4 MS. BENTON: I asked the -- the IT
5 expert about that, and I said, "What if they ask how
6 did we get that large number?" And --

7 (Laughter)

8 CHAIR RATH: It's a minor detail.

9 (Laughter)

10 MS. BENTON: They -- they said that this
11 goes back in time --

12 CHAIR RATH: Right.

13 MS. BENTON: -- to the beginning of the
14 history.

15 CHAIR RATH: Sure.

16 MS. BENTON: -- and so some of these
17 debts may be the people are actually --

18 CHAIR RATH: Dead.

19 MS. BENTON: -- deceased --

20 CHAIR RATH: Uh-huh.

21 MS. BENTON: -- but they're still in our
22 system.

23 CHAIR RATH: A large chunk of them
24 probably are.

25 MS. BENTON: Right. Right.

1 of that 200 to 300 thousand. But then your question
2 is --

3 CHAIR RATH: I guess, could they be?

4 Ah, Mr. Moore.

5 MR. MOORE: Chair, maybe I can answer
6 that question. John Moore, acting General Counsel.

7 That warrant hold process has been set
8 up earlier with the employers. We've been working --
9 and actually have it down to a weekly basis and are
10 working on a daily basis warrant hold process with the
11 Comptroller. It's been established for several years
12 on a computer basis.

13 So, this project, of course, has allowed
14 us to do the overpayments on a -- on a computerized
15 basis. So, what we've done in the BPC Project has no
16 impact, because we've already established that whole
17 process --

18 CHAIR RATH: Okay. So, we're already
19 doing --

20 MR. MOORE: Yes, ma'am.

21 CHAIR RATH: -- the employers, and this
22 was adding the claimants.

23 MR. MOORE: Just adding the claimants.

24 CHAIR RATH: Okay. Thank you for
25 clarifying that.

1 MR. MOORE: You're welcome.

2 COMM. LEHMAN: It's nice to see
3 employers get to go first in this.

4 (Laughter)

5 COMM. CONGLETON: It is in this case, I
6 assure you.

7 (Laughter)

8 CHAIR RATH: Wow.

9 MS. BENTON: So, if there's no more
10 questions on the BPC Project, if you'll turn to the PI
11 Workflow Project, once again, I am happy to report
12 that excellent progress was made on this project and
13 that it is currently on time and on budget. I would
14 like to take just a moment, Commissioners, to talk
15 about the distinctions between the BPC and the PI
16 Workflow Projects.

17 Whereas BPC focuses on improving
18 collection efforts, PI Workflow focuses on
19 investigations. The BPC Project is a cumulative
20 effort of the separate -- separately working several
21 IT-1s. Whereas, PI Workflow is one large, single
22 project.

23 The PI Workflow Project will improve our
24 ability to increase investigation efficiency by
25 streamlining manual processes, automating where

1 possible and prioritizing workload. This project
2 employs mechanisms, such as Internet accessible Web
3 pages and scanning technology that are already in
4 place for the tax and benefit areas. These
5 improvements will assist both employers and claimants
6 when receiving and responding to information requests.

7 If you will turn to the high level
8 timeline on Page 2, you will see that the project
9 schedule has been changed to accommodate the DCS
10 Transformation. The Project Team analyzed the impact
11 of the schedule change and determined that, although
12 it will affect PI Workflow, the projected impacts are
13 not material at this point, and we still plan an
14 August 2008 project completion date.

15 And if you have any questions --

16 CHAIR RATH: And the 2 -- the February
17 2008, it looks at this time that we're hitting those
18 due dates. Is that correct?

19 MS. BENTON: Yes, that is correct.

20 CHAIR RATH: Okay.

21 MS. BENTON: That is correct. We are.

22 CHAIR RATH: And thank you for
23 clarifying the difference between BPC being collection
24 efforts and PI being investigations. I think that
25 would be helpful for a lot of people.

1 MS. BENTON: Thank you.

2 CHAIR RATH: At least me.

3 Okay. Any questions?

4 COMM. LEHMAN: Yeah. I want to go back
5 to the 2- to 300 thousand for just one more minute.

6 MS. BENTON: Okay.

7 COMM. LEHMAN: Do we -- have we sized
8 that, in terms of dollars?

9 MS. BENTON: No, sir. I don't believe
10 so.

11 COMM. LEHMAN: Not --

12 COMM. CONGLETON: You have to remember,
13 Commissioner, that goes back a long time.

14 COMM. LEHMAN: I know. I know.

15 COMM. CONGLETON: A lot of those are
16 probably not going to be collectible.

17 COMM. LEHMAN: Oh, I have no doubt.

18 CHAIR RATH: Uh-huh.

19 COMM. LEHMAN: If they were collectible,
20 presumably we would have collected some of them.

21 MS. BENTON: Commissioner, I can
22 certainly check with our IT experts and see if we
23 can't get you report that does that.

24 COMM. LEHMAN: I -- no, I'll get a --
25 LaSha will give me a briefing one of these days on --

1 MS. BENTON: Okay.

2 COMM. LEHMAN: -- stuff like that. So,
3 thank you. (Laughter)

4 Right, LaSha?

5 MS. LENZY: Absolutely.

6 (Laughter)

7 MS. LENZY: Absolutely, one of these
8 days.

9 COMM. LEHMAN: It will come up in the --
10 (Laughter)

11 COMM. LEHMAN: -- it will come up in the
12 context of other discussions, I'm sure. In fact, I'd
13 count on it. Joann might be invited to the meeting,
14 however, so -- (laughter)

15 MS. BENTON: Thank you.

16 COMM. LEHMAN: I want to -- can -- can I
17 go back to Work In Texas for a moment?

18 I -- I'd like to -- I -- I chatted with
19 Larry -- and if you've already acted on this, you'll
20 have to just give me the signal.

21 The business community last week
22 approached me with substantial frustrations about
23 applicants that apply for jobs are immediately given
24 job offers and sent down -- across the street to have
25 drug tests. The applicant seems to find every reason

1 in the world not to want to participate in the drug
2 test on that particular day, preferring instead to
3 schedule it a week later.

4 And you can read into that what you
5 want, but the reality is we might want to look at the
6 possibilities of helping to communicate expectations
7 of employers more in the job description process than
8 we have in the past. And I'm not able to speak
9 eloquently about what all is there. But, for example,
10 if a job posting -- if the employer expects to have
11 drug testing as a part of the application process, it
12 would be helpful to know that and require a field so
13 the employer can specify that, because there are --
14 unfortunately, in society today there are a number of
15 people that just cannot pass drug tests based on the
16 choices they've made.

17 It would seem productive to help them
18 sort and select. There's approximately 50 percent of
19 the employers in Texas that at this point in time are
20 so desperate for workers they are not drug testing,
21 and there are approximately 50 percent of employers in
22 Texas that, for whatever reason, consider or feel they
23 must drug test. It might be helpful to -- to look at
24 those kind of considerations, and -- and anything
25 along those lines that would help add integrity to the

1 labor match. So --

2 CHAIR RATH: That's a good idea.

3 COMM. CONGLETON: Well, you know, if
4 you're trying to pay all your bills on unemployment,
5 it helps to take a few drugs.

6 (Laughter)

7 MS. LENZY: I don't know if your debit
8 card works on that.

9 (Laughter)

10 COMM. CONGLETON: It's hard to make that
11 \$300 go that far, you know?

12 MS. LENZY: (Inaudible)

13 MR. TEMPLE: Commissioners, I want to
14 give you a -- a -- this next week the DirectEmployers
15 Job Central users meeting is going to be in
16 Indianapolis. So, it's an opportunity for the states,
17 Work In Texas, if you will, and the businesses that
18 are signed up with Job Central to get together and
19 kind of hash out the best practices and -- and
20 whatnot.

21 So, we'll be going up there for that.
22 About the time we're up there, maybe a week or so
23 after, we -- we were one of the first states to -- to
24 sign on -- to download the Job Central -- Job
25 Central's listings in -- into -- I mean, to upload

1 our -- ours into their system with the demise of
2 America's Job Bank that DOL quit funding. We will be
3 the first state that downloads their jobs in Texas to
4 our Work In Texas.

5 We have, at any given time, 50,000 jobs
6 in Work In Texas. This will unduplicate, as Scott
7 tells me -- they say it's 30,000. Scott believes it's
8 closer to 25,000, but we'll be able to increase the
9 number of jobs available for Texas jobseekers by about
10 25,000 in about a week.

11 So, most of the companies involved in
12 this are -- are Fortune 500 companies. So, I think
13 we're going to really, really, really improve the
14 quality of the job listings that we have. Hopefully,
15 we'll attract even -- even a better job -- jobseekers.

16 So, it will be another first for Texas,
17 and it will certainly be an advantage for Texas
18 employers and -- and Texas workers.

19 And I want to -- I want to congratulate
20 Scott for working with them. This is -- no one else
21 had done it, and it -- it -- it's been -- it hasn't
22 been so time consuming from an IT perspective. It's
23 been time consuming from Scott having to convey to
24 them the kind of data that we need to make a good job
25 match in our system.

1 And -- and I'll have to compliment
2 Job -- the DirectEmployer group, Job Central for
3 helping us with employers in getting that extra data.
4 So, we'll -- we'll let you know when we flip the
5 switch on that, but that's going to be a -- a real
6 plus to our system.

7 And that's -- I think that's all we
8 have, Commissioners.

9 CHAIR RATH: And I just want to
10 follow-up. I think your suggestion about being very
11 clear on what the expectations are, because if a
12 requirement is drug testing, then it saves everybody
13 time, just as --

14 (Simultaneous discussion)

15 COMM. CONGLETON: That -- I agree with
16 that completely.

17 CHAIR RATH: Uh-huh.

18 COMM. LEHMAN: Thank you.

19 Obviously, that would extend to Project
20 RIO. Conversations that I've encountered recently
21 were releasees want to live in one part of the state,
22 but the coaching, counseling, training process targets
23 them to operate in another part of the state or assume
24 that they're going to wind up in another part of the
25 state.

1 And I guess all of those things -- and I
2 suspect Nicole is already working on this, but I
3 suspect all those kind of things -- we ought to -- we
4 ought to think through in great detail how strongly we
5 can help facilitate those connections on other than
6 just a skill match basis. And so any -- you know,
7 anything I think is fair game along these lines so
8 long as it's legal and appropriate. I would just
9 encourage you not to limit -- limit -- don't limit us
10 to the traditional job matching process, if not -- if
11 possible.

12 CHAIR RATH: Anything else?

13 (No response)

14 CHAIR RATH: Anything, Commissioners?

15 COMM. CONGLETON: I'm always amazed at
16 the talent and dedication we have at this agency,
17 that -- not only in IT but in all aspects of it, with
18 exception of Jones, of course.

19 (Laughter)

20 MR. JONES: (Nodding)

21 MR. TEMPLE: His was a presentation that
22 had a late handout. I want that noted.

23 COMM. CONGLETON: I understand.

24 (Laughter)

25 COMM. CONGLETON: Mark Hughes would

1 probably want me to note that after today, after
2 throwing him under the --

3 COMM. CONGLETON: I agree with Mark.

4 (Laughter)

5 CHAIR RATH: Very good.

6 Well, then, if there's nothing else, we
7 will stand adjourned and very, very well done. It
8 sure is -- as you reflected, it's our 10th one. And I
9 think all of us have a lot to be proud of when we look
10 at both the work that's been accomplished and the
11 level of preparedness. So, thank you.

12 (Meeting adjourned: 2:44 p.m.)

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C E R T I F I C A T E

STATE OF TEXAS)
COUNTY OF TRAVIS)

I, JANIS SIMON, a Certified Shorthand Reporter in and for the State of Texas, do hereby certify that the above-mentioned matter occurred as hereinbefore set out.

I FURTHER CERTIFY THAT the proceedings of such were reported by me or under my supervision, later reduced to typewritten form under my supervision and control and that the foregoing pages are a full, true, and correct transcription of the original notes.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this day of 2008.

JANIS SIMON
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