

TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS WORKFORCE COMMISSION
AUSTIN, TEXAS

WORK SESSION RE:)
QUARTERLY INFORMATION)
TECHNOLOGY)

WORK SESSION

TUESDAY, APRIL 29, 2008

BE IT REMEMBERED THAT at approximately
2:00 p.m., Tuesday, the 29th day of April 2008, the
above-entitled matters came on for hearing at the
Texas Workforce Commission, TWC Building, 101 East
15th Street, Room 244, Austin, Texas before
TOM PAUKEN, RON LEHMAN and RONALD G. CONGLETON,
COMMISSIONERS, and LARRY TEMPLE, EXECUTIVE DIRECTOR,
of the Texas Workforce Commission; and the following
proceedings were reported by Patricia Gonzalez, a
Certified Shorthand Reporter, in the State of Texas.

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P R O C E E D I N G S

TUESDAY, APRIL 28, 2008

(2:04 p.m.)

CHAIRMAN PAUKEN: Okay. Are we ready?

Mr. Crump, would you like to take the lead or --

MR. CRUMP: Certainly, sir.

CHAIRMAN PAUKEN: All right.

MR. CRUMP: Good afternoon,
Commissioners. For the record, Gene Crump, Deputy
Executive Director.

Commissioners, this is our normal
Commission Work Session for an IT project update.
Normally, we turn it over to Dee for some opening
remarks; so with that, I'll turn it over to Dee.

MR. MEADOR: Good afternoon,
Commissioners. For the record, Dee Meador, the
Division Director for Information Technology. I have
a few comments I'd like to make before we get into
doing the project briefings. I'm going to touch on
the Data Center Consolidation Project, our Technology
Refresh Project and the IT survey that we mentioned
that we would do in the last quarterly work session.

April 1 marked the first-year
anniversary of outsourcing of TWC's data center to
IBM's Team for Texas. The quality of day-to-day

1 production work has improved markedly in the last six
2 months, and most of the production service levels are
3 now being met on a regular basis. There's still much
4 room for improvement in the areas of invoicing,
5 processing of requests for new services, consistent
6 use of its management systems and security processes.
7 And TWC continues to work with Team for Texas and DIR
8 to bring about improvements in all areas related to
9 outsourcing.

10 Specifically, in the area of invoicing,
11 TWC still does not have a fully reconciled invoice
12 since the beginning of the contract. Team for Texas
13 is in the process of rerunning invoice calculations
14 for as far back as April 2007, incorporating
15 corrections agreed upon by Team for Texas and TWC.

16 I see you-all looking through your
17 binders. I apologize. I probably should have said
18 this up front, there are not any materials for this --

19 CHAIRMAN PAUKEN: I just saw that.

20 MR. MEADOR: Okay. Once corrected
21 invoices are produced, TWC will be revalidating to
22 ensure that there are no remaining areas of dispute.

23 We received invoices through December of
24 2007, and although we do have issues with those
25 invoices, we believe they're close enough to base

1 projections for FY '08, and it appears that our DCS
2 cost will be close to the FY '08 DCS budget of
3 15.5 million.

4 In addition, on the DCS front, the
5 movement of TWC's mainframe, dependent servers and the
6 servers supporting the TWIST system to the Austin
7 Consolidated Data Center is still scheduled to take
8 place Memorial Day weekend, the weekend of May 23rd.
9 Originally, print and mail were also scheduled to move
10 on that date; however, due to problems experienced
11 during testing that began on April 12th, this month,
12 the decision was made to leave print and mail at TWC
13 for the Memorial Day cutover. During final test
14 phase, which begins May 10th, we will be testing the
15 decoupled print and mail solution; that is, leaving
16 print and mail here at the TWC location. A new date
17 has not been established for moving print and mail,
18 but it should be within some weeks of the cutover that
19 we do Memorial Day.

20 We're also examining some potential
21 issues with print jobs in our older systems,
22 particularly the tax system, in which we may have to
23 make programing changes to accommodate what at some
24 point may be a required update to the mainframe
25 operating system.

1 The testing that began on April 12th
2 will continue for the next several days, and the
3 applications affected by those tests, which include
4 all the mainframe applications, WorkInTexas and all
5 the Internet applications and TWIST, have been
6 confirmed to be operational at the Austin Data Center
7 and most of our batch processes have run successfully
8 there. There have been some batch performance
9 problems, the resolution of which we expect to see in
10 the next test phase, which takes place May 10th. IT
11 staff and business users have put a tremendous amount
12 of planning effort into this test to ensure that
13 critical business systems function as they should when
14 the production systems are moved to the Austin Data
15 Center.

16 After this cutover on Memorial Day,
17 there will still remain numerous servers at our TWC
18 Data Center. Most of those servers will move to the
19 Austin Data Center in the second wave in the summer of
20 2009. That specific date has not yet been
21 established.

22 Do you-all have any questions on the
23 data center outsourcing?

24 CHAIRMAN PAUKEN: No.

25 COMM. CONGLETON: You don't look for

1 another delay?

2 MR. MEADOR: I don't believe so. Just
3 the print and mail delay.

4 On the technology refresh, TC Refresh
5 Project, it's gone very well. The months that we did
6 testing appropriation provided good pay-off. This
7 project has been a model of collaboration between IT
8 business operations and our contractor business
9 corporation.

10 We began rolling out new PCs with Vista
11 and Office 2007 at the end of February, beginning with
12 IT in business operations, guinea pigs. New PCs are
13 being deployed at a rate of about 50 per day with a
14 total count of 2,570 desktops and laptops to be
15 replaced under a new four-year lease. At this point,
16 PCs have been replaced for TWC users in the main,
17 annex, Trinity, as well as the LMI, North Mopac and
18 Springdale offices. We're now installing at the
19 telecenters and remote offices with expected
20 completion of most of the installs by the end of May.

21 This technology refresh reduces TWC's
22 desktop footprint by about 500 PCs by replacing less
23 efficient PCs with fewer, more powerful and versatile
24 PCs, provides a new PC to every employee running most
25 current and fully functional versions of the Microsoft

1 Office products and reduces energy used through
2 energy-saving flat screen monitors.

3 Any questions on the PC refresh?

4 (No response)

5 MR. MEADOR: Okay. As I indicated in
6 the last work session, we were going to do a survey of
7 IT services, and in March, we did conduct a survey,
8 using Survey Monkey, with the assistance of the
9 Training Department. The survey was sent to all TWC
10 cost center managers and a random sample of 20 percent
11 of the remaining TWC staff, for a total of about 600
12 surveys. There were 391 responses, representing a
13 65 percent response rate overall.

14 The survey sought input on IT's
15 performance in the following areas: Customer service
16 and priorities, support and availability of IT
17 infrastructure, change control processes, reporting
18 and general comments. Just sort of in summary, in all
19 categories, IT was rated doing an above-average job.
20 The highest ratings were given in the support and
21 availability of IT infrastructure section; that is,
22 the availability of the Internet network, e-mail
23 services, things of that nature.

24 There were some areas that we noted
25 were -- that were areas for opportunities for

1 improvement. They include performance and
2 connectivity to remote sites, processes for submitting
3 new programming requests, and not surprisingly,
4 timeliness of completed programming requests. It
5 seems we never can get the work done quickly enough.

6 Any questions on the IT survey?

7 (No response)

8 MR. MEADOR: Okay. The only other thing
9 I'd like to mention at this point before we move into
10 the project reports is you may have heard of some
11 performance problems that we've had with the tax
12 system in this quarterly filing period and maybe even
13 in past quarterly filing periods. We're aware of
14 those problems and we are working on them right now.
15 We are currently in a three-day reporting -- tax
16 reporting period that is very intense and stretches
17 the capacity of our mainframe and our WebSphere unix
18 environment.

19 We are looking at some possible
20 solutions. First of all, we have Team for Texas
21 engaged as our contractor to stay on top of the
22 technology that supports our Internet applications and
23 to try to identify bottlenecks and make suggestions
24 for improvements or improve things themselves. There
25 is a mass file upload process that's built into the

1 new tax services system in which a service agent for
2 employers -- for maybe up to 2- or 300 or more
3 employers will be submitting a mass upload of records,
4 and we believe that that's adding a fairly significant
5 impact on performance and we're looking at
6 reprogramming the system to where that happens more in
7 a batch mode than it does in a real-time mode so it
8 won't have so much impact on the on-line systems.
9 We're also looking at moving our Internet applications
10 in the future, starting with the new Apply for
11 Benefits from mainframe WebSphere to AIX WebSphere
12 which will reduce the workload on the mainframe side
13 which is where the tax services operations are taking
14 place right now.

15 So we're looking at various options for
16 dealing with this. I believe the tax department,
17 because of the performance this time around, is going
18 to provide an extension of one day for those employers
19 that have been affected by the performance of the
20 system.

21 COMM. LEHMAN: This is not an annual
22 phenomenon, is it? What causes the problem?

23 MR. MEADOR: It's a quarterly phenomenon
24 when all the tax -- the employers get on to file their
25 quarterly taxes. It puts a very heavy workload on the

1 system.

2 We had this problem in January on day
3 one, and on day two, Team for Texas tweaked some of
4 the technology and days two and three we didn't have
5 performance problems. And then during the quarter, we
6 made some changes to the tax system itself in the way
7 that it balanced wage records and in security modules
8 that we thought would also improve performance. So we
9 really did not expect it this time around.

10 COMM. LEHMAN: Well, so how long -- it
11 started when in January?

12 MR. CRUMP: It started with the new tax
13 upload when we went on-line with the new tax filing
14 for the employers, the new software we --

15 MR. MEADOR: I think the first time we
16 used that software was the quarter prior to January,
17 which would have been --

18 MR. CRUMP: October.

19 MR. MEADOR: -- October.

20 MR. CRUMP: But we didn't have as many
21 problems.

22 COMM. LEHMAN: This was -- I have a
23 whole series of questions about this. Do you want to
24 wait until this -- we deal with the tax piece of it?

25 MR. MEADOR: I think it's okay to go

1 ahead and talk about it.

2 COMM. LEHMAN: The question was asked by
3 the -- by somebody in one of these work sessions a
4 year and a half ago and the answer was "This will save
5 us a million dollars a year, almost, by mandating that
6 all employers will file electronically" -- "or all
7 employers with ten employees or more." I'd like to
8 know the status of the savings that's been realized by
9 that mandate. I'd like to know how that has impacted
10 employers and how often we have this problem and
11 what's actually causing it, and I wonder -- what I
12 really would like is a good, hard assessment of "Have
13 we realized any savings from that mandate," because
14 what I'm being told is that not only are we upsetting
15 a lot of employers, but we have staff spending an
16 inordinate amount of time guiding, coaching,
17 counseling and so on.

18 And, to me, as you'll recall, I was
19 opposed to the mandate because I believe employers
20 will see a good deal and take advantage of it when it
21 is a good deal. So I'm questioning "Is it a good deal
22 now or when will it be a good deal? How much savings
23 have we realized? And if we've realized a savings,
24 what were those savings in the form of," et cetera.
25 And so I'm going to -- and I don't need those answers

1 today, but I would like those answers.

2 When you say this a quarterly problem, I
3 would observe that I'm getting -- my offices are
4 seeing more and more employers calling in to complain,
5 and it seems to be increasing regularly. So I think I
6 need a detailed explanation of this whole scenario.

7 MS. LENZY: We'll gather that for you
8 and come by your office, schedule a time.

9 MR. TEMPLE: Get all three of us,
10 Commissioner.

11 MS. LENZY: We'll do a joint.

12 MR. TEMPLE: Appreciate your comments.

13 COMM. LEHMAN: Okay. And I would
14 encourage you to share with my colleagues.

15 MR. MEADOR: All right. Thank you.

16 That's all I have. If you-all are ready
17 to move on to the reports, we start out with UIC.

18 MS. LENZY: Good afternoon, Chairman
19 Pauken, Gentlemen, Commissioners. LaSha Lenzy,
20 Unemployment Insurance Division.

21 I do have a few materials in your
22 notebook. Under Tab 2, the first item is claim
23 status. Currently, our claimant population can access
24 the status of their claim using our voice response
25 system or they can call the telecenter and talk with a

1 customer service representative. This project
2 provides an Internet application that will allow
3 claimants to view that claim status information,
4 payment information and more on-line, and it will also
5 be available 24/7. So now there will be three access
6 methods once this project is completed.

7 We are on target. Our completion date
8 is still scheduled for July 31 this year. We were far
9 enough along on the project that we were able to go
10 ahead and conduct our Youth Ability study. So we did
11 have a volunteer pool of claimants that got to
12 actually try out the system. They provided feedback.
13 Overall, it was a very, very good response. They
14 found it very user-friendly and easy to read.

15 So if there's any questions about this
16 project, otherwise we will continue forward.

17 COMM. CONGLETON: Well, I'm happy about
18 this. I think this is going to be helpful. As we
19 talked about before, there's a lot of people that have
20 trouble with UI because they don't understand it.

21 You know, I asked that we put a
22 automatic appeal on there. I see where that's not
23 going to happen because it's on this other sheet, but
24 what I would ask you to do, could we at least provide
25 appeal information on the status page as a reminder

1 for deadlines and things like that if they're having
2 problems with their claims?

3 MS. LENZY: We can go back and meet with
4 the PMO people and see if that's something that could
5 be added and how difficult will that be, will that
6 delay it or should we do it later as an enhancement.
7 We'll do some research on it and come back to you.

8 COMM. CONGLETON: Well, the automatic
9 appeal was supposed to be the enhancement, but the
10 information on the page should be for --

11 MS. LENZY: But you're just saying for
12 status.

13 COMM. CONGLETON: Thank you.

14 MS. LENZY: The next item still under
15 Tab 2, this was the Imaging Project for UI tax, which
16 was the last piece of this particular project. As
17 noted in an e-mail that I sent to you-all at the
18 beginning of this month, the final phase of this
19 project did go into production on March the 24th. So
20 this project will actually drop out of your notebook
21 from this point forward.

22 COMM. CONGLETON: Has this still made it
23 easier for our employees to use it?

24 MS. LENZY: For our employees, yes.

25 Any questions on this one?

1 (No response)

2 MS. LENZY: Okay. That was the last one
3 for UI. With that, Tab 3 is Mr. Jones.

4 MR. JONES: Good afternoon,
5 Commissioners. For the record, my name is Larry Jones
6 with Workforce Development. I have three items to
7 present to you this afternoon. The first of those
8 will be WorkInTexas.com General Enhancements Overview.
9 The second of those will be ES-UI Integration Phase 3.
10 And the third of those will be Child Care Attendance.

11 We'll start with WorkInTexas.com General
12 Enhancements. You have pages in your notebooks on
13 each of those three items.

14 With WorkInTexas.com General
15 Enhancements Overview, I really want to break that
16 into three parts today. I want to talk to you about
17 the enhancements themselves and just touch on that
18 briefly. We've been over that several times before.
19 The second item that I want to do is talk to you about
20 the quality of matches on job postings, that being an
21 item that both Chairman Pauken and Commissioner Lehman
22 mentioned last week at our Performance Briefing. And
23 then, lastly, I want to touch on some items that we're
24 specifically doing in WorkInTexas.com to assist our
25 veteran population here in Texas.

1 So to start, WorkInTexas.com General
2 Enhancements, this has been an ongoing project now for
3 a couple of years. This project provides continuous
4 enhancement to the WorkInTexas.com application.
5 Ongoing maintenance is also done to approve
6 performance and to minimize our operating cost.

7 Of the additional WorkInTexas.com items
8 that the Commission approved for completion, Job
9 Central Linkage was our highest priority. Work was
10 completed on the Job Central enhancement back in
11 February of 2008 and you have nine remaining
12 enhancements shown on Page 1 of 2 in your notebook
13 there. So Items 2 through 10.

14 I will not address all of those. I will
15 address a few of those as I proceed into the second
16 item that I wanted to discuss this afternoon, which
17 was the quality of job match postings on
18 WorkInTexas.com.

19 As I said, both Chairman Pauken and
20 Commissioner Lehman raised this question last week at
21 the Quarterly Performance Briefing. You both asked
22 about the issue of the quality of our job matches. We
23 recognize that this is one of our biggest ongoing
24 challenges in our Matching system. We're continually
25 working to address this issue.

1 Previously, the question was raised
2 about employer's ability to inform potential
3 applicants that drug testing is required prior to the
4 hiring. We do have a mechanism that allows employers
5 to customize questions such as drug testing questions.
6 There's also room for the employer to post in the
7 written portion of job posting itself that drug
8 testing will be required for that position. However,
9 we have now also added a bulletin to assist employers
10 and to advise employers -- it essentially provides
11 them tips on how to enhance their job postings, and so
12 drug testing is one of the things that is addressed in
13 that bulletin.

14 There has also been a concern on the
15 large number of matches that return on job postings.
16 The number --

17 COMM. LEHMAN: I'm sorry. That what on
18 job postings?

19 MR. JONES: This was an issue you
20 raised, sir, the number of returns that an employer
21 might get. In other words, it would be useless to put
22 in a job posting and get back a listing of 250
23 applicants. That just is not workable. Obviously, an
24 employer might want to know the top 10 or the top 20
25 or whatever the case might be -- top 50, depending on

1 how many job postings there are for that same
2 position.

3 There is, in WorkInTexas.com, a means
4 for the employer to specify the number of returns that
5 they want to get; so that can be limited. That's
6 purely up to the employer to specify. So if they want
7 10 or if they want 20 or if they want 50, then they do
8 have the ability to so specify.

9 In establishing our WorkInTexas.com '08
10 priorities, those nine remaining enhancements that I
11 previously mentioned, you recognized the issue of
12 quality job matches months ago when we looked at these
13 and so stated that they were fundamental to improving
14 our job matching service, not just for the employers
15 but for the job seekers as well. I would draw your
16 attention, Commissioners, to three of those items
17 which I think specifically assist in enhancing our
18 quality of our job postings:

19 Item No. 4 which offers full tech
20 searches. This allows employers to search resumes
21 based on a single word or phrase independent of the
22 Onet code. So by that fashion, then, the employer can
23 customize the search to come to the exact type of
24 skill that they're looking for.

25 Item 6, the autocoder, is a

1 comprehensive occupation selection tool, and it
2 provides the employer a means to observe the strength
3 of the match. So as well as getting the top 10 or the
4 top 20 matches, an employer now has the opportunity to
5 see the actual score that was provided so he or she
6 would know the strength with which that individual
7 would match the requirements in the job posting.

8 Also, Item 9, the job match results
9 ranking provides a rank score for each match for each
10 job seeker's portfolio, and in the Item 6, which I
11 didn't cover, the selection tool provides not only the
12 strength of match but shows most closely related
13 between the job match and -- if I didn't make clear,
14 the job match and the individual that's applying or
15 the resume that's being seen.

16 Now, those items are due to be completed
17 this fall, and I won't pretend here that that
18 addresses the concerns that you brought up, but I
19 wanted you to know, as we proceed, that, indeed, we
20 are already trying to address some of those things.

21 In fairness to the issues that you've
22 raised -- and we are concerned about those as well, I
23 would offer to you in addition to whatever we come to
24 today at this meeting that I would be more than happy
25 to come to your offices, all three of you, and to

1 discuss this individually and to hear your concerns
2 with our staff.

3 Are there questions on that item before
4 I proceed with the Veterans Enhancements? I would
5 think, based on the comments last week, you might
6 still have --

7 COMM. LEHMAN: No. I'll defer my
8 questions. Thanks.

9 MR. JONES: Okay, sir. Very good.

10 Regarding Veterans Enhancements, we
11 wanted you to know that we've accomplished several
12 features. We've put in several features specifically
13 to serve veterans. I want to talk about four of those
14 here today.

15 The first of those is the priority of
16 service, and TWC utilizes programming to ensure that,
17 all other things being equal, qualified, eligible
18 veterans will be displayed on these listings ahead of
19 non-veterans in a job match results for employers. So
20 just as with our priority of service when an employer
21 gets a listing of those qualified applicants, so long
22 as he or she hasn't requested a strength of score or
23 anything of that nature, the veterans would be listed
24 first ahead of all others.

25 Second is the Hire Vets First

1 initiative. TWC provides a Hire Vets First icon which
2 is also used in another function -- and I'll explain
3 that later, but this Hire Vets First initiative
4 enables job seekers to identify postings with
5 employers who have indicated an interest in hiring
6 veterans. And so the icon also provides employers an
7 ability to designate a job posting as one in which he
8 or she wants to hire vets first. So we feel that
9 that's an added strength to serve our veterans.

10 I know that Commissioner Lehman and
11 Commissioner Congleton are familiar with our Same Day
12 Hold initiative. That was implemented back in
13 October. TWC implemented a process to automatically
14 limit all postings to eligible veterans only for the
15 first full day that a posting -- for the first day
16 that a posting appears on WorkInTexas.com.

17 And, finally, we have -- similar to the
18 Hire Vets First initiative, we have a Veteran Only job
19 posting, and that's in the event that an employer
20 desires to hire only veterans, he or she may so
21 specify in the job posting. Again, that would be
22 identified by an icon. Only veterans would be shown
23 on the return to the employer if that's so specified.

24 So that would conclude my comments on
25 the first item that I want to --

1 CHAIRMAN PAUKEN: How do we verify that
2 they are veterans? I mean, we had -- and this is a
3 long time ago, but experience of people claiming, you
4 know, Vietnam service claiming to be veterans who,
5 when we would check with VA, turned out they were --
6 had manufactured their military careers. So how do we
7 confirm? Is there -- do we have a DD-214 or what do
8 we do in this respect?

9 MR. JONES: Sir, I'm going to ask Scott
10 Eychner. Mr. Eychner is our WorkInTexas.com expert,
11 and he'll address that.

12 MR. EYCHNER: Good afternoon. Scott
13 Eychner with Workforce Development.

14 We don't have any -- WorkInTexas does
15 not have a -- any validation of a veteran's record
16 other than them having to provide the correct answers
17 to the test, if you will. When they go into the
18 register -- when they do it or staff do it, they have
19 a series of questions that they have to answer, and
20 based on that, there's a calculation that's done
21 behind the scenes that determines whether or not
22 they're an eligible veteran. And that's based on
23 their type of discharge, where they served, the dates,
24 those type of things.

25 The verification of a DD-214 for

1 WorkInTexas doesn't happen. It's not required.
2 Veterans -- TBC staff still do that, but it's not
3 required for us. Now, for TWIST, for some of the
4 special programs it is, but just for Employment
5 Services in general, it is not.

6 CHAIRMAN PAUKEN: All right.

7 MR. JONES: If there are no other
8 questions on WorkInTexas.com, then I'll move to the
9 second item to present this afternoon from Workforce,
10 which is ES-UI Integration, Phase 3.

11 ES-UI Integration Phase 3 actually
12 consisted of three internal phases. The first two of
13 those have been completed. Phase 1 -- the first phase
14 of ES-UI Project allowed the data provided by the
15 benefits application to be used by WorkInTexas.com
16 when a claimant logged into the WorkInTexas.com
17 system. That part is complete.

18 Phase 2 is also complete. This phase of
19 the ES-UI Project improved the work registration
20 process and worked on the quality of the resumes and
21 the applications. That portion has been completed
22 also.

23 The third phase is not yet complete, and
24 that's the one that you know and all of us have
25 focused on in the past, which does several things. It

1 upgrades the hardware and software development for a
2 concurrent work registration by initial claimants. It
3 also includes two additional foundation items which
4 were to improve the Interactive Voice Response and the
5 rewrite of the Apply for Benefits, both of which were
6 integral to this concurrent registration process.

7 Commissioners, that brings us up to date
8 on what you have previously approved through this IT
9 Work Session and what we have and what your offices
10 have been briefed on to this point is an alternate
11 proposal, and Mr. Crump is prepared to address that
12 alternate proposal with you at this time.

13 MR. CRUMP: Commissioners, to recap,
14 what we discussed in your offices, basically
15 Mr. Temple asked me on the financial side --

16 COMM. LEHMAN: Pull that mic a little
17 closer, please.

18 MR. CRUMP: Yes, sir.

19 Mr. Temple had asked me on the financial
20 side if we could use some ES dollars to offset the
21 CSR's cost as they collect information for work
22 registration. As I was going through that process and
23 working with staff, it came to light that potentially
24 the solution that we're moving towards would provide a
25 less than satisfactory work registration in

1 WorkInTexas. It would be a work registration.
2 Claimants would not be denied eligibility, but in
3 looking at the data of claimants and non-UI claimants
4 that had registered in WorkInTexas, we found out, on
5 average, UI claimants supply 25 percent more data.

6 Our solution, as we're talking about
7 today -- and we've kind of entitled it the Four-Minute
8 Model, allows the CSRs to go through a series of -- I
9 think it's 16 questions, but that's not going to be as
10 much data as 94 percent of the UI claimants currently
11 provide the WorkInTexas to register. So the
12 alternative solution is staff would like to submit for
13 your consideration would be that we continue the
14 foundation piece as Mr. Jones talked about but that we
15 don't automatically register a UI claimant in
16 WorkInTexas.

17 They would still, like I say, apply for
18 benefits, go into WorkInTexas and register as they do
19 today. We believe -- well, the data shows that
20 94 percent of them do register. For the 6 percent
21 that don't register, we would actually -- we would
22 then create a registration of WorkInTexas. It would
23 not be as fleshed out as we would like. We would
24 identify those people on an exception list and send
25 that list to the appropriate workforce board for the

1 workforce board to contact that UI registrant and to
2 help them get better registered, if you will, in
3 WorkInTexas.

4 Again, I'd like to reiterate that the
5 solution the Commission has adopted is on time and
6 we're moving forward, but staff believes, based on the
7 data, that we will have poor work registrations in
8 WorkInTexas for 94 percent of the UI population -- 6
9 percent. 94 percent will have registered correctly.

10 COMM. LEHMAN: What kind of response
11 will we expect from that 6 percent in working with the
12 Boards?

13 MR. CRUMP: Quite honestly, sir, I don't
14 know.

15 COMM. CONGLETON: 100 percent,
16 guarantee.

17 MR. CRUMP: Thank you for that answer,
18 Commissioner.

19 COMM. CONGLETON: That's --

20 COMM. LEHMAN: The guarantee parts are
21 what I'd like to see.

22 (Laughter)

23 COMM. CONGLETON: I've got a car for
24 you, too.

25 MR. CRUMP: I mean, Commissioner

1 Lehman -- oh. I'm sorry.

2 MR. TEMPLE: No. No. I was going to
3 say that we know that we do have some UI claimants who
4 are filing on the Internet, and I don't want to stop
5 getting some help there. And it's going to involve
6 Mr. Jones, the staff working with the Boards on this.

7 The fact that the Boards have an
8 incentive through their measure -- contracted measures
9 to serve these individuals as a priority population
10 per your instructions, it behooves them being able to
11 get a good registered -- a good registrant and a good
12 registration, if you will, to help them make their
13 measures on Re-Entered Employment for the 6 percent
14 100 percent or whatever, but, obviously, a lot of them
15 are able to do it -- a vast majority are able to do it
16 on their own, but it's this small population that we
17 feel like is going to need some extra help.

18 COMM. CONGLETON: Well, as long as they
19 are -- allow the UI claim to be a shell that keeps
20 them from being disqualified, I don't have a problem
21 with it. That was the point in the whole process
22 anyway.

23 MR. CRUMP: Yes, sir.

24 COMM. LEHMAN: Well, I'm not so sure,
25 but they're not being deprived from benefits no matter

1 how they register. I mean, this was going to not
2 deprive them of benefits whether they were doing it by
3 hand or any other method either. Right?

4 MR. CRUMP: Yes, sir. This solution
5 would ensure that all UI claimants would, in fact, be
6 registered. They would not be held ineligible for not
7 registering in WorkInTexas.

8 Were there too many "nots" there?

9 They would be -- everyone that filed
10 would be registered in WorkInTexas; so they could not
11 be held ineligible for that reason.

12 COMM. LEHMAN: So basically the choice
13 is one of a non-registration, a partial registration
14 or working with the Boards in trying to get a better
15 registration. Is that what we're talking about?

16 MR. CRUMP: Yes, sir. That was the
17 comment I was going to make and Mr. Temple made, which
18 is -- you know, that 6 percent today basically is
19 hidden from the Boards. We would create an exception
20 list and the Boards -- in military terms, that's a
21 target rich environment. Those are people that we
22 know we can assist.

23 COMM. LEHMAN: Well, have we done any
24 trials to see how this partial application or this
25 partial registration would fall into the Match system?

1 I mean, I suspect if I ask Scott "What kind of a
2 quality match are we going to get" --

3 MR. CRUMP: It would be poor, sir.

4 COMM. LEHMAN: Employers don't need
5 another poor match. We've got plenty of those now.

6 MR. CRUMP: And, Commissioner, from our
7 perspective, if you -- again, if you go back to what
8 we call the Four-Minute Model -- I'll speak on behalf
9 of Gene Crump only -- I think that's going to create
10 more poor matches in WorkInTexas than our alternative.

11 COMM. LEHMAN: Well, I guess I see
12 two -- it seems to me that the drain on staff time is
13 one issue that you're trying to avoid, trying to spend
14 inordinate amount of time for people that perhaps
15 haven't had a lot of experience at having all the
16 answers when they're put on the spot to provide them.

17 From an employer standpoint, they're not
18 going to care about the process behind the scenes.
19 They're going to want to look for qualified workers.
20 And so the better match we can get, the better we
21 serve employers. So I guess I'm inclined to
22 reluctantly agree with your proposal.

23 I suspect it will drive up the cost of
24 unemployment insurance on employers as well, but maybe
25 not. I don't know how to judge that at this point.

1 MR. CRUMP: So, Mr. Chairman, where we
2 are at the point is -- within the project phase, we
3 are coming to the end of completing the foundation
4 projects. It would be the appropriate time -- if the
5 Commission would like us to continue with the solution
6 that is laid out today, or to choose an alternative
7 route, this would be the proper time.

8 CHAIRMAN PAUKEN: Is there a motion?

9 COMM. CONGLETON: Well, I make a motion
10 as long as the claimant is protected from being
11 disqualified. I'm fine with the alternative.

12 COMM. LEHMAN: I agree with the change
13 in course to try to increase the quality of the match
14 of a qualified applicant or an applicant to a suitable
15 job, and if that is what you're outlining here, that's
16 what I'll support.

17 CHAIRMAN PAUKEN: All right. So move
18 forward on that front.

19 Are there any other issues we need to
20 vote on? Because I'm going to have to leave a little
21 early.

22 MR. TEMPLE: No, sir. That's the only
23 action item.

24 CHAIRMAN PAUKEN: Okay. All right. I
25 apologize, but I have a -- have to leave a little

1 early and I have someone here that will brief me on
2 the remainder.

3 COMM. LEHMAN: Okay. Is that item done?

4 MR. JONES: Commissioners, I have one
5 more item from Workforce to brief you on, and it's a
6 very short item. It's the Child Care Attendance.

7 Based on the Commission decision on
8 April 15th, this project now only includes the
9 automated attendance, such as a swipe card. It does
10 not include the biometric component.

11 As discussed in the Commission Meeting
12 on April 15, this project automates attendance
13 tracking and simplifies the payment process in order
14 to improve efficiency and reduce dual data entry.
15 Once you made that decision, bidders requested an
16 extension to revise responses and an extension was
17 granted to the RFP process. The targeted date for
18 award is now November 3rd of 2008.

19 Gentlemen, we have ten-step schedule,
20 which is not necessary for me to present to you here,
21 but we revised the entire RFP schedule and so we stand
22 ready to have responses evaluated and a contract
23 awarded by November 3rd, if that's your pleasure.

24 That concludes the items that I had to
25 brief you on today.

1 COMM. CONGLETON: Thank you.

2 COMM. LEHMAN: Do you have any questions
3 on that Commissioner Congleton?

4 COMM. CONGLETON: I do not.

5 COMM. LEHMAN: Are you going to go ahead
6 and amend the business case figures that were
7 presented to keep that current or keep that in line
8 with what the RFP --

9 MR. JONES: We'll --

10 COMM. LEHMAN: -- timetable and so on
11 is?

12 MR. JONES: I think we can do that, sir.

13 COMM. LEHMAN: I think that would be
14 advisable.

15 MR. JONES: Yes, sir. Staff is telling
16 me the answer to that is "Yes, sir."

17 COMM. LEHMAN: Okay. Great.

18 Anything else in this section before we
19 move on?

20 COMM. CONGLETON: No. I'm fine.

21 COMM. LEHMAN: Back to you, Mr. Crump.

22 MR. CRUMP: I'm passing it to
23 Ms. Benton.

24 COMM. LEHMAN: Okay.

25 MS. BENTON: Good afternoon,

1 Commissioners. For the record, Joann Benton,
2 Regulatory Integrity, and I will be reporting on our
3 continuing progress with the BPC and the PI Workflow
4 Projects.

5 If you'll turn to Tab 4 in your
6 notebook, the first one I'll talk about is the Benefit
7 Payment Control Collection Redesign Project. The
8 purpose of that project is to increase recovery of
9 overpayments, reduce or eliminate inefficient manual
10 collection processes and improve the accuracy of our
11 reporting. And I am pleased to report that the BPC
12 Project is making good progress. There have been no
13 adjustments to the budget during this quarter and
14 expenditures are running according to plan.

15 If you will turn to Page 2, you will see
16 that the BPC Project is comprised of several
17 subprojects. The only high-level timeline change was
18 to the Batch Architecture Subproject. The migration
19 date was moved from April to June to account for the
20 DCS transformation. However, this does not affect
21 overall project completion, which is still on track
22 for September of 2009.

23 The Comptroller Warrant Hold Subproject
24 was finalized and entered into production last
25 quarter. This quarter, the project team continued to

1 work through the backlog of noncurrent debts and
2 scheduled those records into production at the rate of
3 20,000 per week. Recoveries are beginning to pick up,
4 and so far this quarter, we have recovered over
5 \$20,000 in collections and we are generating a lot of
6 calls to our collections department as a result of the
7 Warrant Hold Project.

8 Our most significant accomplishment this
9 quarter resulted from the Archive Enhancement
10 Subproject. The project team conducted several runs,
11 and combined with the regularly quarterly archived
12 processing, resulted in a total of almost 800,000
13 claims archived and more than 130 million records
14 removed from the database. Cumulatively, these
15 enhancements should bring significant benefit to the
16 Agency in both system performance and mainframe
17 processing time costs.

18 And if you have any questions, I'll be
19 glad to try to answer them.

20 COMM. LEHMAN: Commissioner?

21 COMM. CONGLETON: No questions.

22 COMM. LEHMAN: I don't think I have any
23 either.

24 MS. BENTON: Thank you.

25 COMM. LEHMAN: Thank you.

1 MS. BENTON: Then behind the next blue
2 page, we talk about the PI Workflow Project. Whereas
3 BPC focuses on improving collection efforts, PI
4 Workflow focuses on investigations. This project's
5 objectives are to improve efficiency of the
6 investigations by streamlining our manual processes,
7 automating where possible and prioritizing workload.
8 It employs mechanisms such as Internet accessible Web
9 pages and scanning technology. These improvements
10 will assist both employers and claimants when
11 receiving and responding to information requests.

12 I am pleased to report that during this
13 quarter the first phase of the PI Workflow was
14 successfully migrated from test to production on time
15 and on budget. The initial release involved a large
16 migration of programs, thirty times more programs than
17 a typical release. It included two new Web
18 applications and a new OCR imaging application that
19 captures data from earnings verification forms
20 submitted by employers.

21 In a nutshell, implementation of the
22 first phase of PI Workflow means that the processing
23 of benefit earnings information is now automated,
24 resulting in a more efficient process for establishing
25 overpayments. As with any new release, there were

1 some production support issues, but the project team
2 worked closely with UISS and AD&M leadership to
3 implement fast and effective solutions.

4 The project team has now turned its
5 attention to prioritizing enhancement requests, the
6 major one of which includes development of an
7 electronic data exchange platform to provide large
8 employers an automated way to respond to earnings
9 verification requests. The team will begin working on
10 that platform in May.

11 That concludes my presentation.

12 COMM. LEHMAN: Commissioner, questions?

13 COMM. CONGLETON: No questions.

14 COMM. LEHMAN: Can you clarify for me,
15 Ms. Benton, who the -- who are going to be the users
16 of this, the principal users of this program?

17 MS. BENTON: The employers and the
18 claimants, but primarily our employees when they get
19 the information. The employers will send it on a
20 document that we scan, and it will then automatically
21 populate the Wage Benefit System so that the employees
22 don't have to enter that data manually. And it will
23 just make a faster and more efficient process for the
24 claimants and the employers, helps both sides because
25 it will identify overpayment almost immediately,

1 whether it's based on inaccurate data or -- no matter
2 what the cause of it, and it -- and the claimant and
3 the employer will both receive letters telling them
4 about this anomaly and asking them to resolve it
5 quickly. It will bring it to the investigator's
6 attention to resolve quickly before the overpayments
7 get large. So --

8 COMM. CONGLETON: Saving everybody
9 money, including us.

10 MS. BENTON: Yes, sir. That's correct.

11 COMM. LEHMAN: Okay. Thank you. I
12 think I have no further questions.

13 Back to you, sir.

14 MR. CRUMP: Thank you, Commissioner.

15 Commissioners, I'll be talking from this
16 document right here.

17 Commissioners, what you have in front of
18 you is a proposed list of IT projects, applications
19 and equipment needs that staff would like to discuss
20 with you for the operating budget Fiscal Year '09 and
21 then potentially for entering into the LAR in FY '10
22 and '11. What I'd like to do is just to preview this
23 list, and then if there's any ideas that staff did not
24 collect from the Commissioners, we'll add those to the
25 list.

1 This is probably the first time we've
2 ever had an opportunity to put together a complete
3 list of, if you will, needs of the Commission. We
4 just talked about a lot of projects that are coming to
5 completion; so we're basically finishing a cycle of
6 work and we need to look to the next two to three
7 years, and that's what this list of items represents,
8 a packet for our discussion today.

9 It's important to note that even if we
10 had all the funds, we don't have enough staff to
11 manage these projects. So we're not looking for -- we
12 would not be looking for approval for all of these.

13 The other thing to keep in mind is as we
14 look towards the '09 budget and then '10 and '11, many
15 of the projects we just talked about were funded with
16 one-time money, with SBRs. We don't anticipate having
17 those funds.

18 Additionally, as you look to '09,
19 there's going to be a salary increase of 2 percent.
20 It's going to be across the board. That's going to be
21 another impact to the budget. Probably fringe benefit
22 costs are going to go up. So it's going to be -- this
23 process, as we talk about it, is going to be very
24 iterative. There's going to be items that we talked
25 about that we want to get into the budget. They may

1 be too expensive. The Commissioners may have to
2 decide that they want to take funds from somewhere
3 else.

4 Commissioner Congleton, you had had a
5 chance to preview the list and you commented on one
6 that staff did not recommend. This list is for
7 you-all's discussion for you to determine what needs
8 to be in the budget. So if there's something that the
9 Commission decides to vote in -- we were just talking
10 about it from an IT Steering Committee. This would be
11 our recommendations based on as we looked at the
12 project and the return on investment and the benefits.

13 So with that, let me quickly go through
14 the list. And then what my plan would be would then
15 be to come around to each of your offices privately
16 and go through a more in-depth discussion. I have a
17 book that we can go through, and so we'll do that
18 later.

19 If you look at the items -- the first
20 three items, we've listed those as required items,
21 things to keep on the radar screen. Data center
22 services, we're going to have to pay for that. We've
23 always had equipment needs that we'd call LAN-WAN
24 infrastructure that's in the capital budget.
25 Additionally, one item that we've purchased -- I want

1 to say we bought the last scanner about five years
2 ago. It's going out of date. It's critical to the
3 business of the Agency. And we could certainly not
4 buy that scanner, but if we don't and it goes out of
5 service, it is not supported by maintenance. So we
6 look at it as a critical and must-fund need.

7 The next set of items, beginning with
8 No. 4, are items that the Steering Committee would
9 recommend that you-all consider favorably. The first
10 one would be an IT strategic road map. This document,
11 if you will, lays out some things that we can do for
12 the next two to three years. The Commission has to
13 take on looking at what platforms, what applications
14 we're going to need for the next five to ten years,
15 and, Commissioners, you recognize the investment in IT
16 that we make here is substantial. We need some
17 outside expertise to tell us what's going on in the
18 world, what the future is going to look like, and
19 while we have a great technical staff, we don't have
20 the time to invest to put together a strategic road
21 map that the Commissioners could adopt.

22 And, of course, what's really important
23 about that is, as the Commission turns over, we would
24 have a road map that the Commissioners -- that the new
25 Commissioners would know have been placed, in effect,

1 and we would be moving in that direction.

2 And, again, you can see, as we go across
3 the spreadsheet, we've got the title, the cost, what
4 the description is, some of the benefits. Again, this
5 is not a complete list. It's just to kind of preview
6 with the Commissioners.

7 COMM. LEHMAN: Maybe this is a naive
8 question, but is DIR -- do they co-own this
9 responsibility with us to anticipate our strategic
10 future or not?

11 MR. CRUMP: Yes, sir, they do. And,
12 quite honestly, the Comptroller does also. It's
13 interesting. As you know, in a non-cabinet level form
14 of government that we have, that there's different
15 entities that are playing in this game.

16 I recently sent to your staff -- there's
17 an initiative that the Comptroller is heading up, the
18 ERP initiative, and so they're looking at various ERP
19 items that would benefit all State agencies. DIR, we
20 obviously, have an input into the DIR strategic plan.
21 Currently, they're mostly focused on, obviously,
22 consolidating hardware assets under the data center
23 services, but certainly providing software services is
24 something that's on the horizon. They're currently --
25 they currently provide e-mail solutions, but you can

1 see that it's just a matter of time.

2 So when I talk about our strategic road
3 map, I think about those things that we would be
4 developing applications around or "What database do we
5 need for the future? What would be the operating
6 systems we'd be looking at?"

7 COMM. LEHMAN: Okay.

8 MR. CRUMP: But yes, sir. You're
9 absolutely correct. And it's not only DIR, but also
10 the Comptroller.

11 COMM. LEHMAN: Okay. And you used the
12 term "ERP." For the audience, I'm assuming you mean
13 Enterprise Resource Planning.

14 MR. CRUMP: Yes, sir. I'm sorry. Yes,
15 sir.

16 COMM. LEHMAN: Okay. Commissioner, do
17 you have any comments or questions on that page --
18 that first page?

19 COMM. CONGLETON: No.

20 COMM. LEHMAN: At least at this time.

21 COMM. CONGLETON: Well, I have a lot of
22 questions, but I'll save those for a later date.

23 MR. CRUMP: Thank you, sir.

24 (Laughter)

25 MR. CRUMP: One of the things that the

1 IT Steering Committee would submit would be to
2 redesign our home page. It's certainly been a great
3 home page but we think it's beginning to outlive its
4 usefulness. It's just getting awfully busy. There's
5 a lot of things the Commissioners want to highlight,
6 and it's just getting confusing when you look at it.

7 We are moving towards, if you will,
8 capturing in PeopleSoft, Item No. 6, applications that
9 fall -- that currently add in to our accounting
10 system. We currently are adding asset management into
11 our accounting system today. We have the ability,
12 using in-house staff, to add our purchasing system
13 into PeopleSoft in the future. We currently have the
14 system called TIPS. We have to maintain it. It falls
15 outside the system. This would just be an integrated
16 accounting system.

17 The next item is -- we would propose
18 would be to spend time on providing UI claimants the
19 ability to direct deposit.

20 COMM. CONGLETON: I have to say I think
21 this is grand. We should have done this when we did
22 the credit cards. We didn't, and now I think we
23 should do it as quick as possible. That's my opinion.

24 MR. CRUMP: Yes, sir.

25 COMM. CONGLETON: And the world's.

1 COMM. LEHMAN: Does that save us money?

2 MR. CRUMP: No, sir, it doesn't. It
3 would strictly be an additional benefit to the UI
4 claimants.

5 Again, when we talk about return on
6 investment, we pretty much talk about it's really
7 improved customer service. There may be some small
8 cost reductions, but not measurable.

9 MR. TEMPLE: And this is something that
10 if you wanted us to bring before the Commission as an
11 agenda item, we could do so, certainly, with the
12 request of any one of the three --

13 COMM. CONGLETON: Well, I'd appreciate
14 that, too.

15 MR. TEMPLE: -- before we work through
16 all of these things here as well.

17 COMM. CONGLETON: I would appreciate
18 that, to get the Chairman's input on it anyway.

19 MR. TEMPLE: Tell him we did it when he
20 was gone.

21 COMM. CONGLETON: It was something --

22 MR. TEMPLE: Tell him we did it when he
23 was gone. How's that?

24 (Laughter)

25 COMM. CONGLETON: Well, I can do that.

1 (Laughter)

2 COMM. CONGLETON: He may not appreciate
3 it, but --

4 MR. CRUMP: Thank you, Mr. Temple.

5 (Laughter)

6 MR. TEMPLE: And I won the Lottery last
7 night.

8 (Laughter)

9 COMM. LEHMAN: I don't happen to agree
10 with that strategy, if it's all going to be -- I mean,
11 to me, what we don't do well is we still don't focus
12 our IT strategies cohesively; so springing these
13 things off one at a time to me makes no sense,
14 particularly at this point in the game.

15 I'm not opposed to the idea that we
16 provide direct deposit for -- to claimants. I'm just
17 wondering if that is the best use of our resource, and
18 I think we need to look at all the pulls, all the
19 needs first, and then make a prioritized decision,
20 which is where I think you want to go.

21 MR. CRUMP: Yes, sir. And just because
22 we've been through this before, just in the way these
23 are lined up, these are not in priority sequence.
24 These are what the IT Steering Committee would
25 recommend as a body of work.

1 COMM. LEHMAN: I understand.

2 MR. CRUMP: Okay. The next item is
3 replacing a mail accounting system. It happens to be
4 in our IT shop. I'm actually looking to see if we can
5 do that in-house. I mean, if we can just -- if we can
6 fit that into the budget, but it was listed on the
7 items and so we just included it here. It's something
8 we might be able just to get done.

9 The next item is providing UI claimants
10 that would be from the military, from the feds, DUA,
11 to be able to file on-line. They currently cannot
12 file over the Internet.

13 This is a very good project to kind of
14 bring up. If you look at the total cost, it's
15 approximately \$600,000. Staff cost, we would spend
16 about 300,000, and then you can see non-staff would be
17 about \$300,000. This would be an item that we would
18 recommend that we undertake in the biennium of FY '10
19 and '11. This would not be something we were
20 proposing, but, again, this would be for the
21 Commission's decisions. And, of course, it always
22 comes under the question of whether or not an item is
23 a capital budget item or not, and we have our own
24 process that we go through that we identify for that.

25 The next item, actually --

1 COMM. LEHMAN: How many states do that,
2 by the way? Do we know?

3 MR. CRUMP: LaSha, do you know?

4 MS. LENZY: We do not know.

5 COMM. LEHMAN: I'd be interested to
6 know.

7 MR. CRUMP: I think we can find that
8 out, sir.

9 MS. LENZY: We can find that out.

10 MR. CRUMP: The next item gets into more
11 the more technical items. This item, actually -- the
12 Data Capture Strategic Planning Upgrade actually goes
13 along with the scanner we talked about, and it's a
14 software enhancement. And I can talk more about that
15 when we come around and brief privately on that one.

16 I'd like to talk about the next two
17 projects collectively, Items 11 and 12. As you
18 recall, we talked a lot about the Workforce
19 Information System Redesign. The Commission made the
20 decision that we delay that project at the time
21 because of the cost. As we actually go back and cost
22 out the whole project, we believe it could cost, as we
23 have there on the sheet, \$33 million if we tried to
24 implement everything under that heading. What staff
25 has done is they went back and looked for an

1 alternative, and, basically, that's Item No. 12 which
2 would be to coordinate Child Care Services Delivery --
3 consolidate that into TWIST. Basically have links
4 into TWIST. We believe that project would be about
5 \$2 million, and then you'd have a more integrated case
6 management service delivery platform in TWIST.

7 Item No. 13 is very unique. We're still
8 actually looking at this particular item. This would
9 be something that would be strictly for the IT shop to
10 be able to enhance the efficiency of our mainframe and
11 server processing. What I don't have today -- if you
12 could move over to the "Return on Investment" column
13 under Item No. 13, we're trying to identify the actual
14 dollar savings from the tuning that the AutoStrobe --
15 that this Compuware upgrade would provide us. We
16 believe it would almost pay for itself in a year or
17 two.

18 COMM. LEHMAN: Questions, Commissioner?

19 COMM. CONGLETON: No. I don't have any
20 questions.

21 MR. CRUMP: And I hope to have more
22 information by the time I come by on the individual
23 briefing, sir.

24 COMM. LEHMAN: Okay.

25 MR. CRUMP: I'd like to take Items 14,

1 15 and 16 together. Basically, they're involved in
2 processing ALC applications and WOTC applications.
3 And, Commissioners, if I can use a term, basically
4 we're going to tar the cow path. I mean, we do all
5 this in paper. If we can find the money somewhere --
6 we don't have it within the ALC grants or the WOTC
7 grants. Again, in Gene Crump's opinion, these are
8 no-brainers. These are things that we need to do if
9 we can find the money. I dare say if we had the money
10 in the grants today, the IT Steering Committee would
11 recommend that these -- that these IT application
12 development projects go forward. So we're looking for
13 some creative financing around these.

14 COMM. LEHMAN: I'd like to explore this
15 conversation in some depth.

16 MR. CRUMP: Yes, sir.

17 COMM. LEHMAN: The number of e-mails
18 that I'm getting -- well, frankly, with the recent
19 changes in the way the feds handle this stuff, it's
20 driving the employers nuts and it's driving us nuts.
21 It's hard for me to argue -- it's hard for me to argue
22 against this because when I saw an e-mail yesterday
23 and saw how much -- the extraordinary amount of waste
24 of human potential that it's taking to process a
25 simple sheet of paper to help an employer get a worker

1 that they can't get from any other source, it makes no
2 sense at all to have a shortage of tools make that
3 process so miserable. So I'm --

4 MR. CRUMP: Well, sir, and, of course,
5 this is strictly --

6 MR. TEMPLE: Did you want to put that
7 one when he puts his?

8 (Laughter)

9 COMM. LEHMAN: I have an idea where I
10 can get the money for this. I don't know if -- if
11 he'll match it, we'll both be in business.

12 MR. CRUMP: But, Commissioner, I mean --
13 you know, we're talking about filing cabinets and
14 pieces of paper and staff having to get up. I mean,
15 it's just unbelievable. So we're looking for
16 financing here.

17 COMM. CONGLETON: I think we ought to do
18 away with it completely.

19 COMM. LEHMAN: Well, I -- there's --

20 COMM. CONGLETON: Can't get an American
21 worker, you just don't get one.

22 COMM. LEHMAN: You want to watch
23 companies go out of business and lay people off when
24 they can't get American workers?

25 COMM. CONGLETON: I'm sure they'd move.

1 COMM. LEHMAN: Huh?

2 COMM. CONGLETON: I'm sure they'd move.
3 Most of them have already.

4 COMM. LEHMAN: It's pretty hard to move
5 an oil well.

6 COMM. CONGLETON: And we need -- we
7 really need a lot foreigners working our oil wells.

8 COMM. LEHMAN: How far do you want to
9 take this?

10 (Laughter)

11 COMM. CONGLETON: I'm ready to go.
12 Let's just get it on.

13 (Laughter)

14 MR. TEMPLE: We need this on film.

15 (Laughter)

16 COMM. LEHMAN: I was going to say, you
17 people want to turn your back for a second?

18 (Laughter)

19 MR. TEMPLE: We may have a \$10,000 best
20 video contest if we keep going here.

21 COMM. CONGLETON: I think we probably
22 hit this about as hard as we need to.

23 MR. CRUMP: Thank you, sir.

24 (Laughter)

25 MR. CRUMP: Commissioners, then I'd

1 really like to hold Items 17, 18 and 19 until I can
2 come talk to you privately about that. A couple of
3 these items would certainly benefit staff in terms of
4 functionality. They get kind of detailed, and so it's
5 probably not the forum to discuss those.

6 COMM. LEHMAN: Okay.

7 MR. CRUMP: Then Items 20 through 24
8 involve enhanced security applications.

9 Dee and staff are still working on some
10 of these. Some of these actually might end up being
11 compliance requirements. We don't know that yet. If
12 they are, they'll have -- we would then move them --
13 we would move those items up into the required portion
14 of the budget, but as you can see, one of them is
15 e-mail encryption. The other one is the
16 uninterruptible power supply for the annex. We'd have
17 a tool for vulnerability compliance scanning that
18 would just be constantly scanning, Web filters, pretty
19 straightforward things.

20 COMM. LEHMAN: Yeah. I remember this
21 one. Okay.

22 MR. CRUMP: And then, finally, sir,
23 Items 25 through 28, we left them on this list just to
24 let the Commissioners know we've looked at this. I
25 think I'd highlight Item No. 26, which would be a

1 single log-on. It's something we scoped out. It
2 would cost us almost a million dollars to do.
3 Commissioners, while we'd all like that, it's just too
4 expensive. Staff would not recommend it.

5 So today's -- the object of today's
6 briefing was just to preview those with the
7 Commissioners to get an initial feedback. I believe
8 we've done that. Thank you very much.

9 Are there any specific items,
10 Commissioners, that you'd like to discuss amongst
11 yourselves that we did not capture on this list?

12 COMM. LEHMAN: Commissioner?

13 COMM. CONGLETON: It seemed like a
14 pretty complete list to me. I'm fine with it.

15 MR. TEMPLE: Of course, we can add -- in
16 the individual meetings, we can add things --

17 MR. CRUMP: Most definitely.

18 MR. TEMPLE: -- we can add those --
19 bring back to add to the prioritization.

20 MR. CRUMP: And then, Commissioners,
21 obviously, as we go through this process, although we
22 were kind of being facetious about it, we would
23 actually bring these back at a Commission Meeting to
24 discuss for the FY '09 budget and you would see them
25 at a separate agenda and then you'd see them again in

1 the budget. And then the same thing for the LAR.

2 COMM. LEHMAN: The obvious question to
3 me is: To what degree -- when you have column called
4 "Return on Investment," to what degree are there
5 defensible numbers?

6 MR. CRUMP: In some cases, sir -- I
7 mean, that was the thing that we tried -- for this
8 particular project, we tried very hard to identify
9 dollars. In some of these items, we have hard
10 dollars. In other items you saw -- much like direct
11 deposit, sir, you asked about it -- there's not a
12 dollar savings. The return on investment is enhanced
13 customer support, and that's the best we can come up
14 with. So there's not a dollar associated with that
15 one.

16 COMM. LEHMAN: All right.

17 MR. CRUMP: Security would be another --
18 security is going to be something, sir, we spend money
19 on. It's --

20 COMM. LEHMAN: Sure.

21 MR. CRUMP: You kind of go back to "How
22 much defense is enough?" We could spend, certainly,
23 much more money on security. There's some things we
24 have to do, but with wage records, Social Security
25 numbers, it's important that we --

1 COMM. CONGLETON: Well, that will be
2 ongoing from now on as long as you have the --

3 MR. CRUMP: Yes, sir.

4 COMM. CONGLETON: -- advancements.

5 MR. CRUMP: So we're trying to be
6 reasonable about how much we're spending.

7 COMM. LEHMAN: Okay. Now, what is your
8 needed time frame to have decisions on some or all of
9 these?

10 MR. CRUMP: Well, obviously, the '09
11 budget goes into effect in September. So we'll be
12 processing that in late -- in August. I already have
13 briefings -- or am in the process of setting up
14 individual briefings with all three Commissioners. So
15 over the next week or two, I will be seeing you, you
16 will be seeing me and we'll be going over all of these
17 items in depth.

18 COMM. LEHMAN: Commissioner, other
19 questions?

20 COMM. CONGLETON: Do you have an idea
21 which of these projects you think you have to have?

22 MR. CRUMP: Sir, just the first three.
23 Those are --

24 COMM. CONGLETON: The first three.
25 Okay.

1 MR. CRUMP: Those are things that we --

2 COMM. CONGLETON: I missed that.

3 MR. CRUMP: -- have to do to keep the
4 lights on.

5 COMM. CONGLETON: Yeah. Okay. I
6 gotcha.

7 MR. CRUMP: There will be some of the
8 security ones that we believe we're going to need.
9 The rest of them are strictly for Commission decision.
10 Is that what you were asking?

11 COMM. CONGLETON: Yeah. That's
12 basically what I was asking.

13 COMM. LEHMAN: I have a lot of questions
14 about some of those. The one that, obviously,
15 troubles me a great deal is how big this integrated
16 system one that we used to call -- let's see --
17 Integrated Business Process Redesign.

18 MR. CRUMP: Yes, sir.

19 COMM. LEHMAN: That thing continues to
20 grow and grow and grow, and I will want to spend
21 considerable amount of time discussing some of that,
22 what it gets us, what it won't get us and so on.

23 MR. CRUMP: Yes, sir.

24 COMM. LEHMAN: I'm interested in all of
25 them. This overview has been helpful. I appreciate

1 the quick snapshot.

2 Do we need to go back to the agenda for
3 any other reason? Are we done with the --

4 (Simultaneous responses)

5 MR. CRUMP: We're done.

6 COMM. CONGLETON: Adios.

7 (Laughter)

8 COMM. LEHMAN: In that case, we call the
9 meeting adjourned. Thank you very much to all of you.

10 (Proceedings concluded at 3:13 p.m.)

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C E R T I F I C A T E

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COUNTY OF TRAVIS)

I, Patricia Gonzalez, a Certified
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