

**Fiduciary Performance Audit of
the Ohio School Employees Retirement System**

**Conducted on behalf of
the Ohio Retirement Study Council**

Addendum: SMART Post-Implementation Review



Submitted: May 3, 2017

6.7 SMART Post Implementation Review

Objective

As an addendum to the Fiduciary Performance Audit, the FAS IT Specialist returned for a limited post-implementation review of the SMART system. The scope of the post-implementation review was to review the results of the February 27, 2017 go-live of the SMART system and to evaluate the current status of outstanding issues being managed by the implementation team and the processes in place to address those issues.

Sources of Information

For the limited post-implementation review, interviews were conducted with several key stakeholders and project leaders and certain documentation in support of the processes underway to complete the project were reviewed.

The stakeholders included:

- Tracy Valentino, CFO;
- Jay Patel, CTO;
- Scott Murta, Assistant Director, IT;
- Denise Kirk, Assistant Director, Member Services; and
- David Greer, Senior Manager, IT Services.

The documentation reviewed, collectively, was extracted from the “PIR (Problems, Issues and Resolutions) Database” used to track and resolve outstanding issues, including managing the prioritization and workflow of all the tasks required to mature the new system and facilitate transfer of everyday responsibilities from the vendor to SERS management.

Findings and Conclusions

C6.7.1 SERS has an effective process for managing post-go-live issue resolution.

The SMART system go-live was completed on February 27, 2017; as a result, at the time of our visit on April 24 the process of stabilization was still under way. Stabilization includes activities aimed at working out bugs in the software, transition of business processes (learning) by the staff, and fine-tuning certain technical elements of the system, such as security roles. All of these activities appear to be progressing satisfactorily.

The resolution of all items (issues, bugs, training gaps, etc.) is tracked and reported using a single database that is the foundation of all SMART program reporting and governance activities. The resolution of warranty fixes vs. change orders is also tracked through the database. The collective activities, including the use of third parties in the evaluation and resolution processes, represent leading practices.

Managing stakeholder expectations for enterprise projects is an important control necessary for ensuring success of the project. Communications and training appear to have been thorough with three key classes of stakeholders:

- Internal users;
- External users (Employers); and
- Members.

We understand the member experience is not intended to change very much, but resources are in place to address any spike in member self-service that might arise as members begin using their new portal. Resources for supporting the users appear to have been similarly planned and designed to address anticipated spikes in help-desk calls.

Employer reporting is the responsibility of Finance, not Member Services, and could be subject to resource constraints due to the heavy workload related to the transition. It will be important for management to continue to focus on the service levels to its key stakeholder groups, with special focus on the employer group.

C6.7.2 The external auditor is not planning to review security and segregation of duties until after the fiscal year end.

The SMART sub-assessments embedded in the audit process will be based on a single point-in-time. If the auditor's findings impact the audit, SERS management will be unable to respond within the scope of the current year audit.

C6.7.3 SMART project management has a reliable approach to triage; however, there remains a significant proportion of issues labeled "Critical" that do not appear to be advancing on a timely basis.

Problems, issues and changes are classified as "Critical," "Important," "Nice to have," etc. Through the review of the PIR process, it was evident that the triage classification process has been effective. However, there may be opportunities to increase focus and resource commitment to "critical" items.

Recommendations for Improvement

R6.7.1 SERS should consider increasing focus on employer reporting.

R6.7.2 SERS management should engage the external auditor to complete their IT assessment of the SMART system prior to fiscal yearend.

R6.7.3 SERS should standardize definitions for the issues classification, communicate them consistently between IT and the user community, and increase focus and commitment to address critical items.