Guidehouse
Independent Project Oversight Report

California State Teachers' Retirement System

September 14th 2023

Guidehouse Outwit *Complexity*
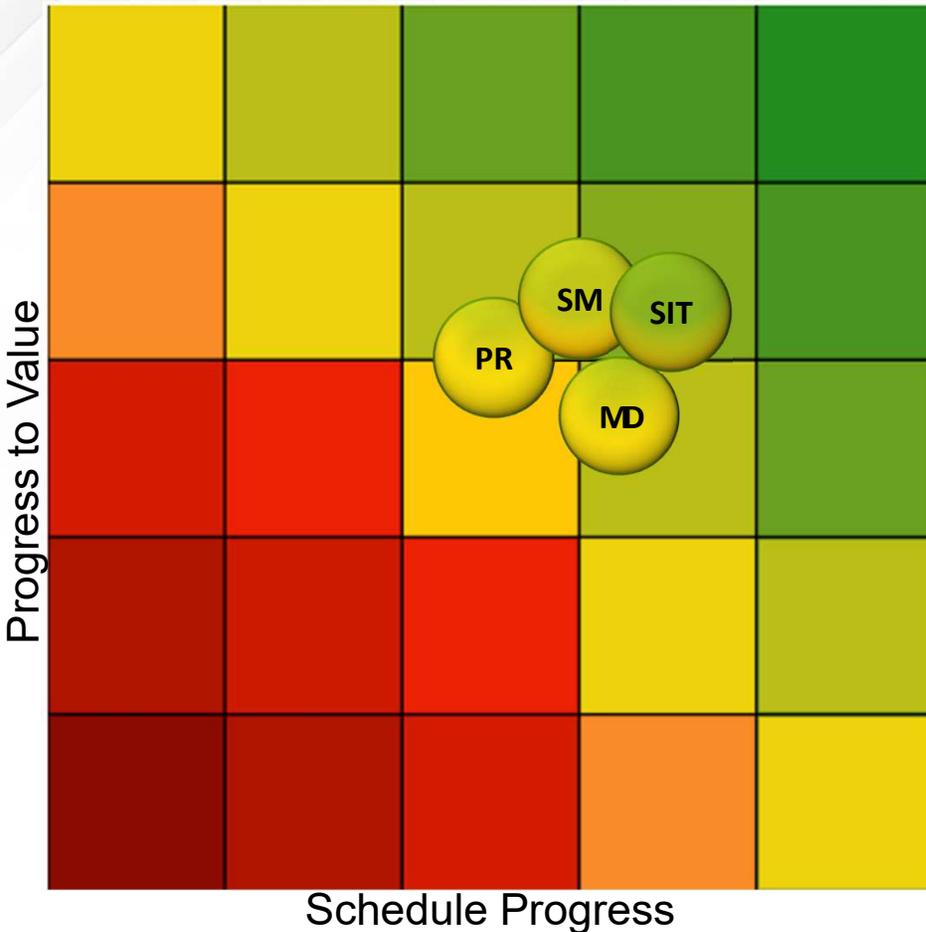
Graphical Assessment Overview

This informational item is an Executive Summary of Guidehouse's monthly oversight report for the Pension Solution project. This item provides an assessment for each of the major workstreams currently underway based on a combination of progress to value and schedule, along with a summary assessment of the workstream. Additionally, we provide a brief summary of progress and of any significant risks that exist along with any mitigation activities in place.
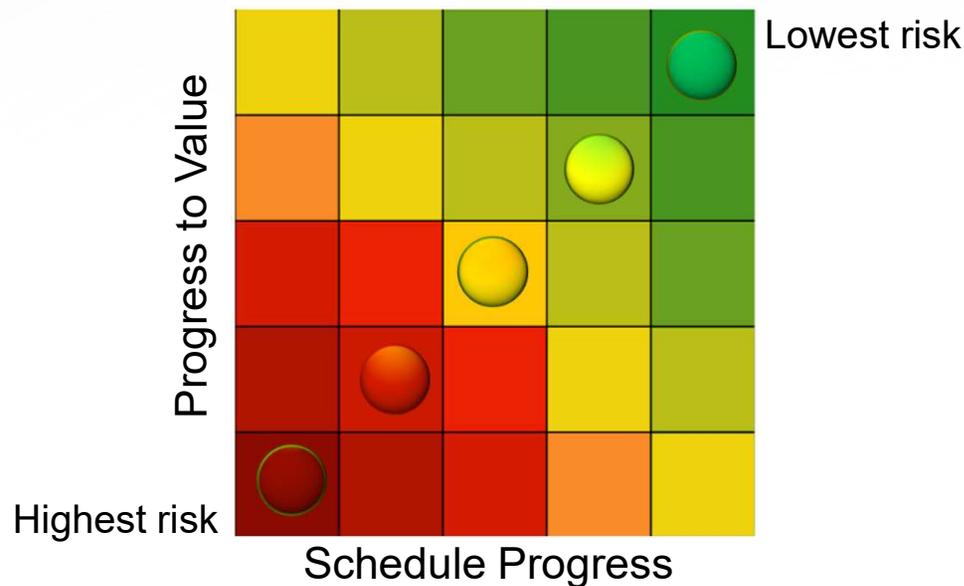
We use a square graphical heatmap that assigns a checkpoint rating to the major Pension Solution workstreams from the perspective of value progress and schedule progress. The plotted point on the heatmap also illustrates our summary rating for the workstream by its color designation.

CLIENT PROPRIETARY \ PROTECTED

Pension Solution Overall Assessment

Legend: SIT – System Integration Testing; MD – Metrics Development; PR – Project Resourcing; SM – Schedule Management

Overall Summary

The Interim Services Period (ISP) completed on 6/30/2023 and the project has begun to follow a formal schedule with an estimated go-live date in Fall 2025. Primary current activities include System Integration Testing (SIT), data-based project status tracking and reporting, and recruitment for a Project Manager.

Notable risks and mitigations

Risk: The Project Manager role currently remains vacant and is needed to drive coordination, standardization, and process adherence.
Accurate and complete project metrics and leading indicators are needed for accurate project status and schedule management.
Mitigation: CalSTRS expects to fill the Project Manager position with a qualified candidate by September 2023. Agreed upon metrics definitions, development standards, and reporting are currently being developed.

Pension Solution Workstream
System Integration Testing (SIT)

Progress to Value

SIT
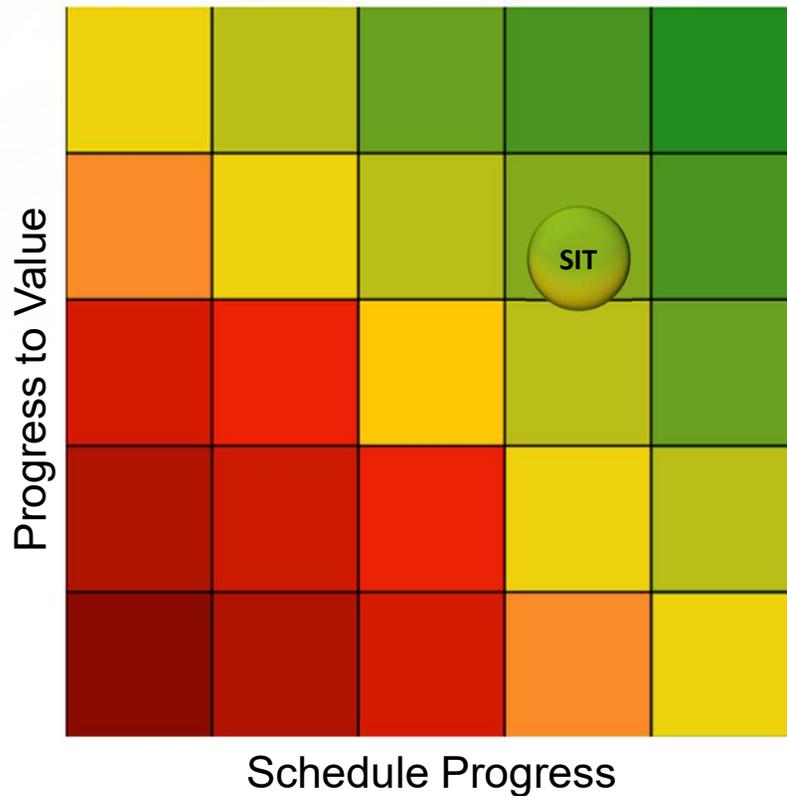
Schedule Progress

Progress Summary

Sagitec and CalSTRS are primarily focused on System Integration Testing (SIT) which is a collaborative effort to identify and resolve system defects prior to user acceptance testing. SIT is currently on schedule overall and meeting its objectives.
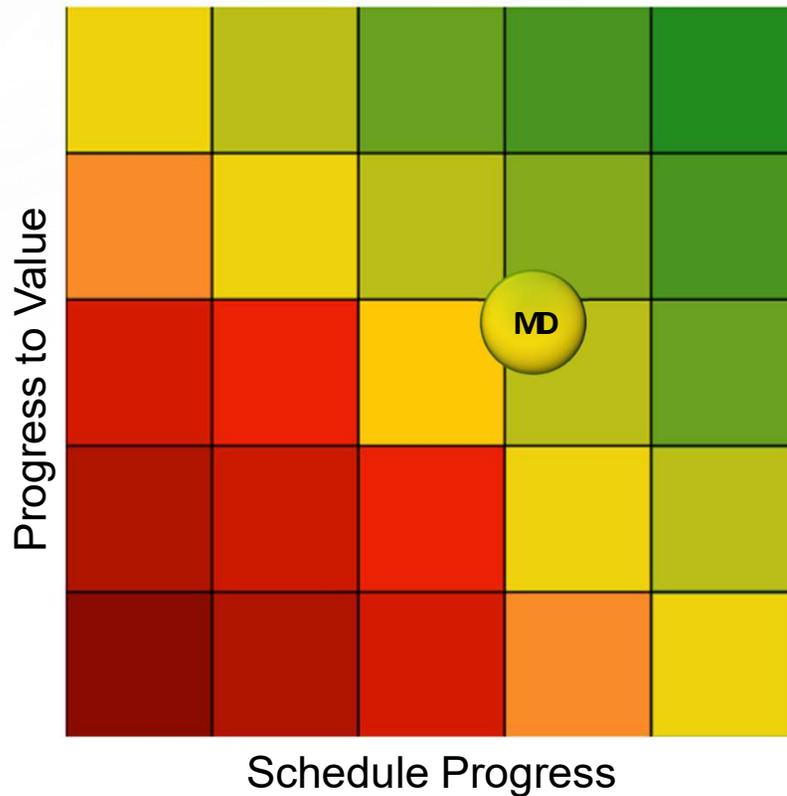
Notable Risks and Mitigations

Risk: If the testing execution and/or defect rate do not track to plan significant impacts to the schedule may be encountered.

Response: CalSTRS and Sagitec are developing standardized metrics to track and monitor SIT activities. Frequent regular meetings are held to discuss progress and address challenges.

Pension Solution Workstream
Project Metrics Development (MD)

Progress to Value

Schedule Progress

Progress Summary

Project data is being captured, and progress metrics are being developed by Sagitec and CalSTRS. Standards for formally defining, presenting, and analyzing metrics are in discussion.
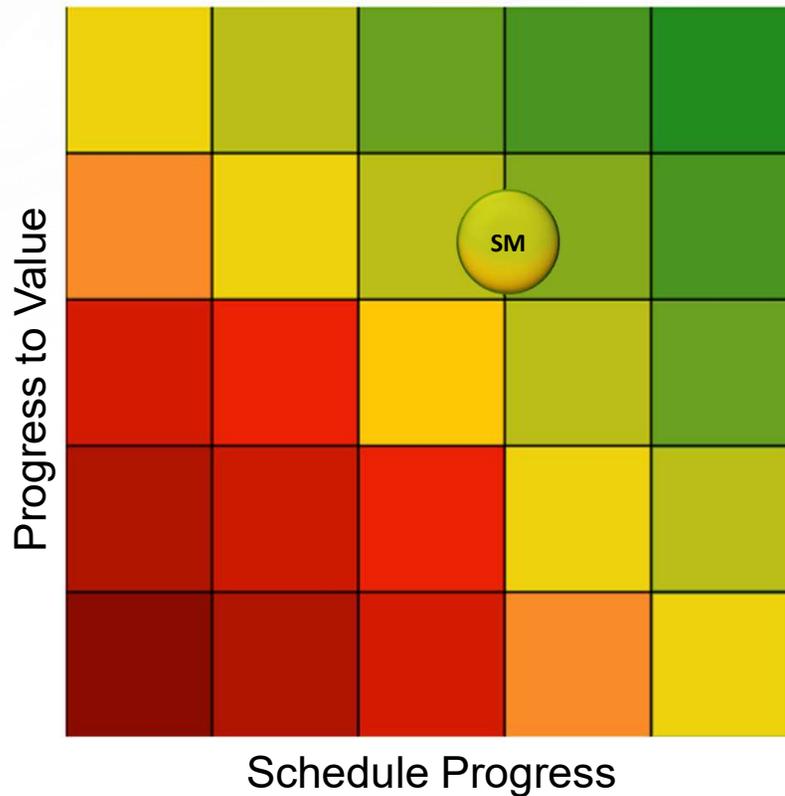
Notable risks and mitigations

Risk: Multiple sets of metrics maintained and reported by multiple entities may result in a lack of alignment on status and meaning

Mitigation: Metrics are being collected and developed by CalSTRS and Sagitec. Alignment is being reached on definitions and meanings of metrics based on multiple collaborative discussions.

Pension Solution Workstream

Project Resourcing (PR)

Y-axis: Progress to Value
X-axis: Schedule Progress
(PR marker positioned in center of matrix)

Progress Summary

The project has continued recruitment and requisition efforts to fill key positions. The Project Manager role remains vacant and procurement activities for the Implementation Services vendor(s) is on track.

Notable risks and mitigations

Risk: The Project Manager role should be filled as soon as possible to drive standards and coordination across the project. Additional staff may be needed to support existing roles including Quality Management.

Mitigation: Project leadership roles continue to be filled and recruited for. An interim PM has been identified while recruiting continues.

Pension Solution Workstream
Project Schedule Management (SM)

Progress Summary

The project is following a formal project schedule which was reviewed and accepted by CalSTRS. Additional reviews are being conducted while the schedule is further elaborated for Sagitec and CalSTRS activities.

Notable risks and mitigations

Risk: The project schedule may contain insufficient detail or supporting data to reflect actual project status.

Mitigation: Current review, elaboration, and activity data gathering processes are intended to provide the foundation for effective status and schedule management.

IPOC Activities

Since the last reporting period the IPOC team has been engaged in a variety of oversight-related activities, including strategy discussions, project meeting attendance, document review, independent analysis, and discussions with project staff, leadership, vendors, and Teacher's Retirement Board members.

Selected project meetings attended:
- Test strategy and progress meetings
- Interim services period status and completion progress meetings
- Board member updates and discussions
- Weekly sponsor/executive meetings
- Meetings with subject matter resources regarding ongoing project activities
- Meetings with sponsors and project management team regarding cloud architecture assessment
- Sagitec and CalSTRS Project Management Team Sync meetings
- One on one meetings with project sponsors, Sagitec team members, and project team
- Strategic discussions with Project Director
- Project metrics development and standardization meetings
- Project Risk/Issue meetings
- Pension Solution Steering Committee meetings