





**Colorado Integrated Tax  
Architecture Project**  
*A Work In Progress*  
June 2, 2009



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- Status
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- Organization & Governance
- Concluding Remarks



## Objective

Consolidate...

- Multiple,
- Antiquated,
- Disparate,
- Difficult-to-maintain tax systems

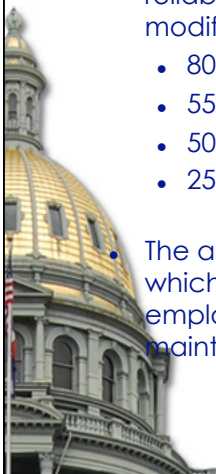
Into a...

- Single,
- Contemporary,
- Integrated,
- Taxpayer account-centric system,
- Incorporating business best practices for state tax administration



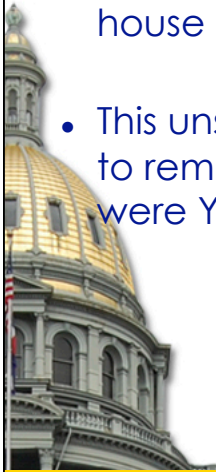
## Background

- Many of the legacy systems within DOR have original code that dates back to the 1960s. They are increasingly less reliable, hard to maintain, and inflexible in terms of being modified to support legislative changes.
  - 800+ COBOL/CICS programs
  - 550+ Easytrieve programs
  - 50+ Assembler programs
  - 2500+ Natural programs
- The age of these systems and the computer languages in which they are written makes it virtually impossible to find employees with the skill sets necessary to support and maintain these applications.



## History

- In the late 1990s DOR had an unsuccessful effort to replace these systems with an in-house custom build.
- This unsuccessful effort meant that DOR had to remediate legacy systems so that they were Y2K compliant.



## History Continued

- Lingering concern over the prior unsuccessful effort required DOR to perform a feasibility study. DOR contracted with Visionary Integration Professionals in 2005 to evaluate the feasibility of replacing Legacy systems. The findings were:
  - Legacy systems needed to be replaced soon
  - Integration of systems should be required
  - Utilization of a commercial off-the-shelf solution (COTS) was necessary
  - A vendor with a proven track record should be selected



## History Continued

- The Legislature approves initial project funding May 1, 2006.
- A change in administration and a statewide centralization of IT resources in 2007 creates an environment in which a readiness assessment is necessary.
- North Highland's Readiness Assessment completed November 21, 2007. It recommends moving forward and establishes a series of critical success factors including:
  - Senior management sponsorship
  - Assignment of permanent project staff
  - Development of key milestones
  - Utilization of backfill resources



## History Continued

- Vendor contract negotiations completed in December 2007.
- Fast Enterprises and their GenTax product selected as the solution.
- Project site build completed February 2008.
- Project kicks-off March 3, 2008.



## Challenges

- Culture Clash
- Continuity of Operations
- Conversion of Data
- Customization Control
- Change Management



## Challenges - Cultural Clash

- Generational Differences
- Prohibition on acceptance of gifts
- Inconsistency of incentives between vendor and DOR project members



## Challenges - Continuity of Operations

- Loss of important Subject Matter Experts to the project
- Difficulty in utilizing backfill resources



## Challenges - Conversion of Data

- Legacy data lacks uniformity and purity
- Extract from legacy systems is difficult
- Cleansing of data essential
- The measure of success is largely dependent upon a successful conversion of data



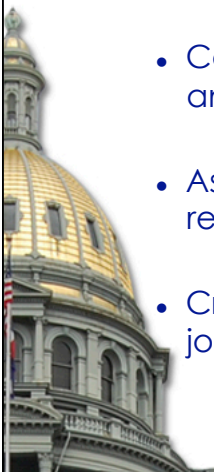
## Challenges - Customization Control

- Adhere to core functionality
- Control scope creep as manifested in site-specific coding



## Challenges - Change Management

- Importance of leveraging new system functionality
- Convincing staff to adopt new procedures and let go of old familiar work processes
- Assure staff that they will be trained and redeployed to higher value activities
- Create procedures that clearly identify how jobs are performed



## Status

- Phase 1 was implemented on November 3, 2008. Phase 1 included Estate Tax, Property Tax Credit and Severance Tax.
- Phase 2 currently underway. Phase 2 includes Income Tax (Individual, Corporate, Fiduciary) and portions of Discovery. It is scheduled for implementation November 2, 2009.
- The project is on-time and work continues at a torrid pace. The project team is confident that it will meet the implementation date.



## Schedule

Phase	Phase 1 3/08 - 11/08	Phase 2 11/08-11/09	Phase 3 11/09 - 11/10	Phase 4 11/10 - 9/11	Phase 5 9/11 - 6/12
Tax Types	<ul style="list-style-type: none"> <li>Severance</li> <li>Estate</li> <li>PTC</li> </ul>	<ul style="list-style-type: none"> <li>Income Tax (Individual, Corporate, Partnerships, &amp; Fiduciary)</li> <li>Phase 2.5 03/09 – 03/10</li> <li>Discovery</li> <li>Phase 2.75 Dates TBD</li> <li>Base State Vehicle Registration Fees (IRP)</li> </ul>	<ul style="list-style-type: none"> <li>State and Local Sales and Use Taxes</li> <li>Wage Withholding</li> <li>Alternative Fuel</li> <li>IFTA Quarterly Filing</li> <li>Gasoline and Special Fuel Taxes</li> <li>Discovery</li> </ul>	<ul style="list-style-type: none"> <li>Bankruptcy</li> <li>TAP</li> <li>Discovery</li> </ul>	<ul style="list-style-type: none"> <li>Food Services Licenses</li> <li>Gaming Tax</li> <li>Off Highway</li> <li>Pari-mutuel Racing Fees</li> <li>Public Utility Commission</li> <li>Cigarette and Tobacco Products</li> <li>Alcohol and Fermented Malt Beverages</li> <li>Vending Machine Stickers</li> </ul>



# Organization & Governance



# Organization & Governance - OIT



## Organization & Governance – Project Team (50 vendor and state team members for Phase 2)

Revenue Accounting & Financials	Registration/ Processing	Collections/ Audit	Discovery	Conversion	System & End-To-End Testing	Training	Technical Operations	Production Support	HR	Change Management
FE Team Lead E Hudson/ K McMillin	FE Team Lead A Hamilton	FE Team Lead G Spiers	FE Team Lead C Curtis	FE Team Lead C Curtis	FE Team Lead JE McMillan	FE Team Lead JE McMillan	FE Team Lead S Choudhry	FE Team Lead K McMillin	FE Team Lead W Perry	FE Team Lead TBD
DOR Bus Lead P Ladebue	DOR Bus Lead Tom Kingsolver	DOR Bus Lead C Andersen	DOR Bus Lead R Roehling	DOR Bus Lead R Giardini	DOR Bus Lead P Northrup	DOR Bus Lead L Pyatt	DOR Bus Lead N/A	DOR Bus Lead N/A	DOR Bus Lead N/A	DOR Bus Lead P Northrup
DOR IT Lead K Doty	DOR IT Lead K Doty	DOR IT Lead K Doty	DOR IT Lead K Doty	DOR IT Lead K Doty	DOR IT Lead N/A	DOR IT Lead N/A	DOR IT Lead L Logacheva	DOR IT Lead L Logacheva	DOR IT Lead M Goetz	DOR IT Lead R Nayar
FE Analysts/ Developers N Behrens A Powers	FE Analysts/ Developers B Beck J Gragg A Parr	FE Analysts/ Developers N Matlock C Schmidt	FE Analysts/ Developers A Elmkharter	FE Analysts/ Developers S Richmond B Beck	FE Analysts/ Developers E Newton	FE Analysts/ Developers E Newton	FE Analysts K McMillin G Nichol (PT) J Rost (PT) R Lepel (PT) F Hooglander	FE Analysts MS Heberling	FE Analysts/ Developers TBD	TBD
DOR Analysts/ Developers T Kingsolver P Northrup C Mazac - IT	DOR Analysts/ Developers T Kingsolver S Norman R Giardini P Ladebue A Eldridge - IT	DOR Analysts/ Developers D Martinez - IT	DOR Analysts/ Developers R Platt D Martinez - IT	DOR Analysts/ Developers R Mahoney - IT S Pickens - IT F Vaahtinghem - IT J Krueger - IT K Kaleemi - DRC S Sala - DRC R Roehling - Ad hoc L Pyatt - Ad hoc P Northrup - Ad hoc	L Pyatt SuperUser Leads 30+ Testers	SuperUser Leads 400 Trainees	DOR Analysts F Vaahtinghem - IT D Brinkman - IT	DOR Analysts R Thompson - IT Others As Needed	DOR Analysts/ Developers M Goetz - IT	TBD
Revenue Financials Refunds Billing	Registration Payments Returns	Collections Audit			Office Manager J Durbin					



## The Effort Continues

- As mentioned at the beginning of the presentation the project is ongoing. We are in the midst of perhaps our most challenging phase, but we are resolute in our belief in the absolute necessity of the project.
- We are dedicated to delivering a successful project on time and on budget that provides the necessary functionality to the organization.

