

## **TFFR PAS Project Summary**

### **Request**

- Upgrade or replace TFFR pension software with web-based system.
- Carryover approved funding from 2019 legislative session.

### **Risks of Current PAS**

- Current system is 15+ years old.
- Functionality and technical architecture of client-server system is outdated.
- Increased costs to maintain and support.
- Limited technical support.
- Limited functionality of member and employer online portals – read only.
- No electronic member communication and interaction.
- Inability to automate manual processes and re-engineer business processes.
- Inability to utilize secure digital communications w/members and employers.

### **Benefits of PAS Upgrade or Replacement**

- Web based technology is standard.
- Re-engineer business processes and adopt best practices in pension administration.
- Enhanced member and employer self-service and security improvements.
- Straight-through-processing to automate enrollment, termination, retirement processing, calculations, communications, forms, and distribution
- Cost savings with digital communication, and reduced paper mailings.
- Improved staff efficiency.

### **Estimated Cost**

- Carryover 2019 legislative session \$9 million appropriation less expenditures from the current biennium.
- Includes external vendor costs, consulting costs, project management, and ITD, legal, and other project costs and contingencies.
- Special funds – no general funds.
- Budget proposal contains reduced operating expenses for current system due to anticipated transition; will need to request return of operating funding levels after new system is implemented.

### **Vendor Selection and Project Oversight**

- Utilize state's procurement/RFP process to select consultant and software vendor
- Follow ITD requirements in managing major IT project
- Executive Steering Committee Oversight
- TFFR Board contract approval and project oversight to ensure TFFR trust fund assets are being appropriately spent