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An Audit Report Responding to Questions From the Senate Interim Committee on Juvenile Justice and Child Support

January 1997

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Key Points of Report

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Key Facts and Findings

- As of November 20, 1996, the total costs associated with Texas Child Support Enforcement System (TXCSES) are projected at approximately \$75,106,703, including \$6,362,307 in data purification costs. Of that amount, the State's share for developing and implementing the new system is \$16,213,655.
- The current estimated implementation date has not been announced. Based on the amount of work remaining and the recommendations from the United States Office of Child Support Enforcement (USOCSE), implementation will be no earlier than April 1997. Implementation could be further delayed because of the problems identified with converting data from the current system, processing month-end batch transactions within the limited number of overnight hours available, and reconciling financial transactions at the case level.
- The original estimated completion date of the project was February 26, 1993. Delays in implementing TXCSES can be attributed to delays in receiving federal requirements, changing federal regulations and state legislation, complexity of the child support enforcement systems, problems with the design of the system, and unresolved issues between the contractor, Andersen Consulting (Andersen), and the Office of the Attorney General (OAG).
- Substantial progress has been made toward implementation of TXCSES since the Senate Interim Committee on Juvenile Justice and Child Support directed Andersen and the OAG to have the system implemented by February 1997.
- Based on the terms and conditions of the contract between the OAG and Andersen and our review of the deliverables, our interpretation is that Andersen has received all payments that are due. While the OAG has been inconsistent in enforcing the terms of the contract, Andersen has not completed all required tasks. To date, the OAG has paid Andersen \$4,671,594.

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Executive Summary

The Senate Interim Committee on Juvenile Justice and Child Support (Committee) became concerned about the delays and increased cost of the development and implementation of the new Texas Child Support Enforcement System (TXCSES). The concern increased when testimony in public hearings indicated that implementation of the system was continually delayed and the cost of the system was increasing. Also, the Office of the Attorney General (OAG) and the contractor, Andersen Consulting (Andersen), were in dispute over fees due Andersen.

On behalf of the Committee, Senator Chris Harris, Committee Chairman, requested in February 1996 that the State Auditor's Office (SAO) provide answers to specific questions concerning the Child Support Enforcement Division of the Office of the Attorney General. Most of the Committee's questions related to the cost and implementation of TXCSES.

At the Committee hearing on August 29, 1996, the Committee requested that the SAO extend the audit. The Committee directed that TXCSES be implemented on a statewide basis by February 1997 and the SAO report provide the status of the system as of January 1, 1997. This report answers the original specific questions asked by the Committee and provides the status of TXCSES as of January 1, 1997.

TXCSES is an automation project that was mandated by the federal Family Support Act of 1988 (Act). The purpose of TXCSES is to provide a statewide integrated system for child support collections and enforcement. The Act provided enhanced federal funding for 90 percent of the cost of developing and implementing the system. The OAG contracted with Andersen to be accountable for managing and delivering all tasks and deliverables identified in the work plan. The

contract also provided for the OAG staff to assist Andersen in developing and implementing the system.

Implementation Schedule

An implementation date has not been announced for TXCSES. However, based on the amount of work remaining and the recommendations from the United States Office of Child Support Enforcement (USOCSE), implementation will be no earlier than April 1997. This date is more than two years behind the most recent contract amendment implementation date of February 1995, and more than four years behind the original estimated implementation date of February 1993. In addition to other factors, changes in federal regulations and state legislation and the complexity of the child support enforcement systems have contributed to extending the implementation date.

Andersen proposed four different implementation schedules between February 1996 and June 1996. Andersen, with input from OAG staff, completed a detailed project work plan on July 12, 1996, to determine if the April 1997 implementation schedule was feasible. However, when the work plan was presented to the OAG, the project was already behind schedule. Other issues contributing to the delay in implementing TXCSES include problems with the design of the system and unresolved issues between Andersen and the OAG.

Andersen and the OAG have made substantial progress toward implementation of TXCSES since the Committee directed them to have it implemented by February 1997. However, as the project progressed, issues were identified that contributed to extending the implementation date. System testing required more hours than estimated, and a substantial

Executive Summary

number of errors that required correction were detected in testing. The USOCSE reviewed the plan for implementing TXCSES by February 1997. It did not approve the proposed plan and established requirements which extend the implementation date.

Implementation could be delayed further because of the problems identified with converting data from the current system to the new system, processing month-end batch transactions in the limited number of overnight hours available, and reconciling financial transactions at the case level to ensure that the new system accurately accounts for collections and child support payments.

TXCSES Costs

As of November 20, 1996, the total projected costs associated with TXCSES are approximately \$75,106,703, including \$6,362,307 data purification costs. Of that amount, the State's share for developing and implementing the new system is \$16,213,655. The Federal Government reimbursed the State for 90 percent of the costs requested and approved at the enhanced rate through October 1, 1995. Federal reimbursement after October 1, 1995, was reduced to 66 percent for costs expended.

Due to the delay in implementation of TXCSES, the State will incur an estimated cost of \$889,939 to maintain the current system from October 1995 through April 1997. These costs would have been avoided if the new system had been operational during that time period.

Contract Compliance

The OAG and Andersen both have responsibilities for developing TXCSES. However, Andersen is responsible for managing and delivering all tasks and deliverables identified in the work plan, including those that OAG staff are assigned. The OAG has been inconsistent in enforcing the terms of the contract. In reviewing the contract and the deliverables, we determined that Andersen did not comply with all requirements for status reports, quality assurance reviews, the traceability matrix, and conversion documentation. The absence of certain deliverables may have contributed to Andersen's unreliable predictions of implementation dates.

Based on the terms of the contract between the OAG and Andersen, and our review of the deliverables, our interpretation is that Andersen's request for payment for Phase II deliverables was premature. The contract provides for payment when specific segments of work are complete. Andersen has requested payment for segments that the OAG has not accepted as complete. The OAG has paid Andersen \$4,671,594 of the \$11,624,099 contract amount for work to date.

Andersen has stated it has completed work on change control requests which it considers to be enhancements that are beyond the scope of the contract. Andersen estimates the value of these change control requests at \$2 million. The OAG considers some of the work to be corrections to errors made on the project. OAG and Andersen have not resolved the disposition of the change control requests.

Overall Assessment

The original estimated implementation date for Texas Child Support Enforcement System (TXCSES) was February 26, 1993, at an estimated total cost of \$11,443,609.¹ The current estimated total cost is \$75,106,703, including the projected data purification² cost of \$6,362,307. As of January 1, 1997, an implementation date for TXCSES has not been announced. However, based on the amount of work remaining and the recommendations from the United States Office of Child Support Enforcement (USOCSE), implementation will be no earlier than April 1997. Continuous changing of federal regulations and state legislation contributed in part to the increased costs and extended implementation date. Problems with the design of the system and unresolved issues resulting in disputes between the contractor, Andersen Consulting (Andersen), and the Office of the Attorney General (OAG) also contributed to the delays.

On behalf of the Senate Interim Committee on Juvenile Justice and Child Support (Committee), Senator Chris Harris, Committee Chairman, requested in February 1996 that the State Auditor's Office (SAO) provide answers to specific questions concerning the Child Support Enforcement Division of the Office of the Attorney General. The Committee expressed an interest in obtaining assurance that the information they were receiving concerning the development and implementation of the automated system was accurate.

At the Committee hearing on August 29, 1996, the Committee requested that the SAO extend the audit to include monitoring the progress toward system implementation. The Committee directed Andersen and the OAG to implement TXCSES on a statewide basis by February 1997 and the SAO to report on the status of the system as of January 1, 1997. This report answers the original specific questions asked by the Committee and provides the status of TXCSES as of January 1, 1997.

TXCSES is an automation project that was mandated by the federal Family Support Act of 1988 (Act). The Act provided enhanced federal funding for 90 percent of the cost of developing and implementing an integrated statewide system for child support collections and enforcement. The OAG contracted with Andersen to be accountable for managing and delivering all tasks and deliverables identified in the work plan. Andersen is responsible for delivering a functional system that meets all federal certification requirements. The contract also provided for OAG staff members to assist Andersen in developing and implementing the system. (See Appendix 13 for contract responsibilities.)

¹The \$11,443,609 estimated cost does not include data purification, which is currently projected to be \$6,362,307.

²Data purification is the process of updating information in the current system, specifically those fields that are necessary to run properly on the new system. Data purification also includes case closure. Federal authority disallowed these as expenditures of the project. The processes did not receive enhanced funding at 90 percent but did receive 66 percent reimbursement for costs under child support operations.

The following responses to the Committee's questions were derived as a result of our review and testing of evidence provided by the OAG and Andersen. We were not asked to provide recommendations. The OAG and Andersen were invited to respond to the facts that are presented. Their responses, along with the State Auditor's follow-up comment to Andersen's response, are found on pages 19 through 25.

Section 1:

What are the total costs associated with the Texas Child Support Enforcement System (TXCSES) project?

The total costs associated with the Texas Child Support Enforcement System project are estimated to be \$75,106,703 as of November 20, 1996. That amount consists of the components in Figure 1:

Figure 1:

Total Estimated Costs for Development and Implementation of TXCSES

	Total	Federal	State
Actual Expenditures (through August 31, 1996)	\$ 55,203,899	\$ 45,757,198	\$ 9,446,701
Fiscal Years 1996 and 1997 Projections	\$ 13,540,497	\$ 8,936,728	\$ 4,603,769
Costs Before Data Purification	\$ 68,744,396	\$ 54,693,926	\$ 14,050,470
Total Data Purification (actual and estimated) through fiscal year 1997			
	\$ 6,362,307	\$ 4,199,122	\$ 2,163,185
Total Costs			
	\$ 75,106,703	\$ 58,893,048	\$ 16,213,655

Total fiscal year 1996 audited costs through June 20, 1996, and the amount estimated to be incurred during the remainder of the fiscal year equaled \$9,942,567. The actual unaudited fiscal year 1996 expenditures reported by the OAG through August 31, 1996, were \$10,527,712.

The \$68.7 million projection (total cost before data purification) primarily consists of costs attributable to software development. Figure 2 identifies the total projected costs for TXCSES by category.

Figure 2:

TXCSES Estimated Cost by Category (Without Data Purification)

Cost Category	Total Costs	Percentage
Salary Costs - Temporaries and Fringe Benefits	\$ 36,136,113	52.56%
Training	\$144,727	0.21%
Supplies	\$173,062	0.25%
Contract Services - Andersen	\$11,624,099	16.91%
Contract Services - Non-Consultant	\$7,491,066	10.90%
Hardware Maintenance	\$57,124	0.08%
Telecommunications Costs	\$425,846	0.62%
Computer Hardware	\$3,586,095	5.22%
Software	\$1,148,526	1.67%
Mainframe Utilization Allocation	\$3,244,067	4.72%
Other	\$4,713,671	6.86%
Total	\$ 68,744,396	100.00%

Section 2:

What is the status of the TXCSES project?

As of January 1, 1997, an implementation date has not been announced for TXCSES. However, based on the amount of work remaining and the recommendations made by USOCSE, implementation will be no earlier than April 1997. This date is more than two years behind the contract implementation date of February 1995, and more than four years behind the original estimated implementation date of February 1993.

Over the years, changes to federal regulations and state legislation have contributed to extending the implementation date. Other issues contributing to the delay of implementing TXCSES include the complexity of child support enforcement systems, problems with the design of the system, and unresolved issues between Andersen and the OAG.

Based on the OAG's past experience with Andersen's predictions, the OAG did not have the confidence to rely on Andersen's predictions for implementation. Andersen proposed four different implementation schedules between February 1996 and June 1996. (See Appendix 12 for Project Schedules Proposed by Andersen). Andersen, with input from OAG staff, completed a detailed project work plan on July 12, 1996, to determine if the implementation schedule was feasible. However, when the work plan was presented to the OAG, the project was already behind the proposed schedule.

On August 29, 1996, the Senate Interim Committee on Juvenile Justice and Child Support directed Andersen and the OAG to implement TXCSES by February 1997. In order to meet the February implementation date, both Andersen and the OAG set aside the issues between them that were causing delays. The outlook at the staff level for

both the OAG and Andersen was more positive on the feasibility of TXCSES becoming a reality. The staffs appeared committed to do whatever it took to meet the Committee mandate.

A work plan was developed by Andersen that compressed the July 12, 1996, schedule in order to meet the February deadline for implementation. The compressed project schedule required overlapping system testing with pilot testing. Andersen's proposed pilot plan did not meet the expectations of the OAG. As the project progressed, the following issues were identified which contributed to extending implementation:

- (1) System testing required more hours than estimated.
- (2) A large number of errors were detected that required correcting.³
- (3) The two staffs could not agree on the approach for pilot testing.
- (4) The project required hours for project planning that were not included in Andersen's schedule for a February deadline.
- (5) Staff members with TXCSES knowledge (of which there were a limited number) were overextended in their effort to meet the February deadline.
- (6) The USOCSE reviewed the compressed schedule and proposed plan and provided verbal direction that made meeting the February deadline impossible.

The USOCSE would not approve Andersen's proposed pilot schedule. It required an additional 30 days' testing. It also indicated that pilot testing could not begin while financial testing was in progress and reconciliation problems still existed.

Implementation of TXCSES could be further delayed due to problems identified for three critical tasks: (1) converting data from the current system to facilitate calculating interest on arrearages due to clients the OAG is currently serving, (2) processing transactions for month-end within the limited number of hours available overnight, and (3) reconciling financial transactions at the case level to ensure that the new system accurately accounts for collections and child support payments.⁴

- Financial conversion programs to convert data from the current system have been in development for several years. A new approach was adopted for financial conversion programs in February 1996. This new approach was a change from converting the accounting history from the current system to only converting a beginning balance that did not include interest. Interest would only be charged on arrearages accumulated after new system implementation.

³All errors and enhancements represent rework that delays implementing the system. Errors and enhancements identified for TXCSES were documented as TQC errors, CCRs, SIRs, and PACs. See Appendix 2 for details by subfunction.

⁴In a report by the General Accounting Office released in 1992 (*Child Support Enforcement, Timely Action Needed to Correct System Development Problems*), one of the identified problems of state systems was that the systems could not accurately account for collections and accounts payable.

This approach is not acceptable to the USOCSE. Before TXCSES can be fully implemented, problems with data conversion must be resolved. Efforts are underway to include interest on arrearages upon implementation.

- Currently, it cannot be determined if the overnight batch processing for month-end will be able to process transactions within the window of available hours. This raises serious questions about the design of the system and whether it can operate as intended. Use of the new system will be limited if functionality and/or access to the system is restricted due to restraints in batch processing.
- The reconciliation activities that are currently required to ensure the integrity of the financial transactions for TXCSES are complex and labor intensive. The financial function was not designed to be a self-balancing group of accounts. In order to reconcile the collections and child support payments at the case level, manual processes had to be added that would identify reconciling items. Several issues have been identified that have contributed to the difficulty of reconciliation. The following is a discussion of the primary issues and the proposed short-term resolution:

- (1) Adjustments to Custodial Parent Payments - The adjustment process for custodial parent payments can result in transactions that post incorrectly to the general ledger. Under specific scenarios, the custodial parent could receive money that is not due them. In addition, the cash reports, trial balances, *OCSE-34 Quarterly Report of Collections*, and incentive calculations will be incorrect because of one-sided entries, duplicate transactions, and overstated general ledger amounts. A partial resolution has been proposed and is being implemented. A comprehensive resolution would require a redesign of the financial function and would take approximately 12 months to implement.
- (2) Postings from Incomplete Adjustments - In two situations, the design of TXCSES will not allow the completion of transactions in a single day of processing. The correction of the design problem would require 12 months to implement.

First, when a support order is deleted, the system will not allow the replacement support order to be entered until the following day. During this delay, any collections received under the deleted support order will be placed in a pending status and remain there until the new support order is entered and the nightly disbursement processing is run. One of the proposed work-arounds is to limit the deletion of support orders to only a few days each week and prevent the deletion of support orders when the new support order will not be entered during the same week and month combination. This will result in the Delete Support Order process only being available approximately 50 percent of each month.

The second situation occurs when there are multiple adjustments scheduled for the same custodial parent and one of the transactions fails due to a data or technical problem which requires human intervention. There is no short term work-around that is feasible based on the length of time currently required for nightly batch processing.

- (3) Unbalanced General Ledger Downloads - The general ledger information will be downloaded on a weekly basis to an agency accounting package. The package will not accept a download that is not balanced. Due to the design of TXCSES, it is possible that the weekly download will be out of balance. Currently, the financial team is reviewing a report that has been created to identify the reconciling amount to make the download balance. During financial testing, several additional reports were developed to identify the reconciling items that are necessary to balance TXCSES. However, there is no assurance that all possible reconciling items have been identified.

Section 3:

What is the time frame for federal certification and statewide implementation?

The federal deadline for Level II certification for the Texas Child Support Enforcement System is October 1, 1997. The primary requirements for Level II certification are (1) the system must be fully operational on a statewide level, and (2) Level II certification must be requested and scheduled prior to October 1, 1997. Failure to request Level II certification risks the loss of federal funding.

The purpose of Level I certification is to verify that the system meets all of the 676 design requirements mandated by the Federal Government. Level I certification requires testing the system with a test deck of 50 child support cases to determine that child support collections are distributed according to federal requirements. There are three requirements for Level I certification:

- (1) The state must request that a Level 1 certification be performed. The OAG made this request in July 1995.
- (2) The test deck must be run and submitted 60 days prior to the scheduled Level I certification visit. The final test deck of 50 child support cases was submitted in November 1996.
- (3) The Level I certification review must be scheduled. Project management is planning to review the resources needed for the Level I certification review to determine the optimum time for undergoing the review.

The history of TXCSES certification activities is detailed in Appendix 1. Noted on the table is a pre-certification report that was released in June 1996 from the USOCSE. The report had seven findings, but the federal review team found that TXCSES appears capable of supporting federal requirements upon full implementation.

Section 4:

Is the Office of the Attorney General prepared to assume responsibility for maintaining TXCSES?

Evidence indicates that the OAG will be prepared to maintain TXCSES. The OAG has actively participated with Andersen in the design, development, and testing of TXCSES. As of August 1996:

- The OAG had 51 employees with an average of more than 38 months of experience working on the development of the new system.
- The OAG had 32 employees, experienced in child support operations, testing the functionality of the new system.
- The OAG staff performing tests had an average experience of more than 26 months working on the project.

However, the workload required to implement and maintain TXCSES in addition to supporting the implementation of federal Welfare Reform⁵ may require more technical resources than the OAG currently has on staff. Even more technical resources will be required if the OAG determines that it will be necessary to rewrite the TXCSES financial function.

Section 5:

What costs are associated with maintaining the current Child Support Enforcement System for another year?

The OAG has incurred certain costs in maintaining the current system that would have been avoided if the new system were operational. Incremental costs are those costs which could have been avoided if the new system had been operational. As of June 1, 1996, the OAG's estimated incremental cost to maintain the current system from October 1, 1995, through the end of fiscal year 1996 was \$515,227 of state funds. An

⁵Welfare Reform significantly expands federal mandates for the state child support enforcement program under Title IV-D of the Social Security Act. Welfare Reform lays out new rules for the distribution of support collections and the use of automated, expedited administrative processes for the establishment and enforcement of support obligations, and a statewide integrated case registry for all child support orders (Source: *OAG Impact Analysis on Federal Welfare Reform*, November 25, 1996).

additional cost of \$374,712 was projected to be incurred to maintain the current system through April 1997. Total estimated avoidable costs to maintain the current system through April 1997 are \$889,939.

Section 6:

What is the correlation between the Unified Registry System (known as the Integrated Child Support System [ICSS]) and TXCSES in terms of costs and reimbursement with federal funds?⁶

The Integrated Child Support System (ICSS)⁷ is intended to provide a means by which all child support and medical support orders issued in the State can be recorded and monitored. ICSS is not a computer system, but technology is part of the solution. The OAG plans to link ICSS and TXCSES upon implementation of TXCSES.

County participation in ICSS is on a voluntary basis. As provided by statute, 254 counties had until May 1, 1996, to respond to the OAG if they were interested in participating in the project. As of May 1, 1996, 77 had responded. Of those 77, 14 are committed to moving forward with the project and are included in the OAG's three-year plan. Bexar and Nueces counties are scheduled for implementation in fiscal year 1996. Tarrant, Rusk, Dallas, Brazos, Burnet, and Cameron counties are scheduled for implementation in fiscal year 1997. The remaining counties, El Paso, Travis, Denton, Collin, Galveston, and Smith, are scheduled for fiscal year 1998 implementation. The 14 counties in the three-year plan account for 42 percent of the population of Texas. In fiscal year 1999, Harris, Potter, Lubbock, Ector, Webb, and Hidalgo will be added, bringing the total number of participating counties to 20 (64 percent of the population of Texas).

Section 6-A:

Is there a correlation between ICSS and TXCSES?

There appears to be a relationship between the ICSS project and TXCSES based on the following information:

- ICSS will be an interactive linking of locally maintained databases to the state database (TXCSES).

⁶The information in this section is as of July 1996.

⁷Senate Bill 793 mandated the ICSS Advisory Council to develop a process and timetable for implementation of a statewide integrated (unified) registry system.

- For small counties which lack an automated system (estimated at 117 counties), a possible option would be to use TXCSES for some IV-D⁸ functions.
- With the development of ICSS, standardization of interest calculation on TXCSES will serve as the methodology to be used by counties.
- In the event of a cancellation of a contract between the OAG and a county, the OAG will assume responsibility for the county's cases.

Section 6-B:

Is the cost of ICSS inclusive in the projected cost of TXCSES?

The cost of ICSS is not included in the projected cost of TXCSES. ICSS has its own budget and program cost allocation number used to track expenditures associated with the project. As of March 29, 1996, the projected cost for fiscal year 1996 was \$2,031,843; the projected cost for fiscal year 1997 is \$5,090,745.

Section 6-C:

What is the total cost to counties, the State, and the Federal Government for ICSS?

The counties, the State, and the Federal Government will incur some cost as they work together to establish a statewide integrated system for child support orders and collections.

Cost to Counties

- *Maintenance of Effort* - To participate in ICSS, counties and other providers of child support services are required to maintain at least their current level of county funding for existing IV-D functions as of September 30, 1995. County funding can include salaries for child support attorneys, investigators, case workers, and supplies and equipment used in the program. Some counties have not been successful in determining their current spending level on child support functions. Several counties have entered into contracts with private vendors to make this determination. Until the assessments are completed, the OAG cannot fairly estimate the financial and personnel resources that will be needed by the counties to fully participate in the project.

⁸Refers to Title IV, Part D of the federal Social Security Act. Every family receiving Aid to Families with Dependent Children (AFDC) or Medicaid and needing paternity or support order establishment, enforcement, or medical support services is referred to Child Support Enforcement. Their cases are called IV-D cases.

- *System of Internal Controls* - As participants in ICSS, counties will have to comply with federal requirements. This will require the establishment and maintenance of a sound system of internal control. Cost will include time spent to establish policies and procedures and to train personnel to be sure they understand the requirements.
- *Audits and Penalty Provisions* - The scope of a county's independent audit may have to be expanded to include a review of the Child Support Enforcement Program. Audit costs could increase somewhat as a result. In the event the audit finds that the county does not have an effective child support enforcement program, a penalty could be assessed. The maximum that can be assessed is five percent of federal participation received by the county. Counties will have an opportunity to prepare a corrective action plan and have the penalty suspended.
- *Contingencies* - Counties anticipating a large IV-D caseload may have to build their IV-D operations gradually. In such instances, counties may have to add staffing and resources commensurate with the growth of their IV-D caseload.
- *Impact on Monitoring and Referral Contracts* - If the seven counties with monitoring and referral contracts elect to participate in ICSS, the contracts will be superseded by Senate Bill 793 cooperative agreements. Under these agreements, counties will take enforcement action when delinquencies occur instead of making referrals to the OAG. For their efforts, counties will receive 66 percent federal reimbursement for all allowable cost incurred.
- *Impact on Monthly Processing Fees* - Most District Clerk Offices (registries) charge their clients a monthly processing fee for receiving and processing support payments. Registries participating in the ICSS project will not be allowed to charge the monthly processing fee for IV-D cases.
- *Impact on Court Costs* - Counties participating in the ICSS project will continue to receive reimbursement for filing fees and court costs. In fiscal year 1995, counties received approximately \$9 million from the State for court costs. All reimbursements for court costs and filing fees will remain completely separate from reimbursements received under an ICSS contract.

Cost to State

- *Direct Cost*

The ICSS Project Team - To develop, implement, and maintain a statewide integrated child support system, the OAG assembled a team to assist counties with an assessment of automation requirements, system and program modifications, and staffing and training needs. As of March 27, 1996, budgets established for fiscal years 1996 and 1997 totaled \$7.1 million. See Figure 3 for the State's share.

Figure 3:
Fiscal Years 1996 and 1997 ICSS Budget

	Fiscal Year 1996	Fiscal Year 1997	TOTAL
State Funds	\$ 520,827	\$ 1,050,846	\$ 1,571,673
Federal Funds	\$ 1,511,016	\$ 4,039,899	\$ 5,550,915
Total	\$ 2,031,843	\$ 5,090,745	\$ 7,122,588

Of the \$7.1 million budgeted, approximately \$3.7 million has been designated for mainframe programming, which was scheduled to begin in August 1996.

Acquisition of Equipment - The OAG will be making the necessary capital expenditures to ensure that automated interfaces between the OAG and the counties are implemented. Thirty-four percent of the cost will be paid out of the State's Retained Collections Fund. Sixty-six percent will be matched with federal funds. A procurement and implementation plan for hardware and software necessary to implement a unified statewide registry and enforcement system in phases was completed on June 1, 1996.

Subrecipient Monitoring - Counties participating in the ICSS project and receiving federal financial assistance of \$300,000 or more will be required to have an audit that meets the federal audit requirements. The OAG will be required to have a subrecipient monitoring function in place.

- *Loss of Incentive Revenue* - Non-public assistance incentive revenues (tied to collections) are calculated by the OAG and paid by the Federal Government to the OAG on a monthly basis. This revenue will be shared (allocated) to counties performing a IV-D function that qualifies for incentives.
- *Potential Liability* - As specified in the contract, there will be a transition period in the event of a cancellation of the contract between the OAG and a county. All new IV-D cases (new since the signing of the contract) will revert back to the OAG, which will then be responsible for providing enforcement services.

The direct and indirect costs associated with enforcement services of non-public assistance cases is not available because the OAG has not captured this information. Therefore, the cost of this potential liability cannot be projected. However, at a minimum, the OAG would have to hire more full-time employees in order to handle the increased caseload and meet federal requirements if a large number of the contracts were canceled. Based on data obtained from the Office of Court Administration, in fiscal year 1995 there were 36,060 new child support orders processed by the 10 counties currently targeted for Phases I-III of the project.

Cost to Federal Government

The operation of ICSS will not cost the Federal Government any financial assistance beyond the normal rate of federal financial participation. However, by having more expenditures eligible for federal matching, the federal contribution to Texas will increase. Presently, there is not a cap on the amount of federal dollars the State can receive for IV-D functions performed.

- *Will counties be reimbursed with federal funds much like the OAG?* Counties entering into cooperative agreements will be eligible to receive federal funding, just like the OAG, for performing IV-D functions. Federal funding will flow to counties for:
 - Direct Cost
 - Indirect Cost
 - Incentive Revenue

A county will be able to request reimbursement from the OAG on a monthly basis for salaries and fringe benefits, travel expenses, phone billings, postage, approved computer enhancements, and other costs. The amount requested will be paid at the 66 percent federal reimbursement rate.

Counties will also receive a share of the incentive revenue paid by the Federal Government on a monthly basis to the OAG. The allocation of non-public assistance (NPA) incentive revenue will be weighted by the level of IV-D functions performed by a county and proportionately based upon quarterly NPA collections.

Section 6-D:

Other Useful Information About ICSS

- Based on our review of the ICSS project plan and completed milestones, the project appears to be on schedule.
- A legislative solution is necessary to standardize child support orders. The policy subcommittee for the ICSS Advisory Council is developing a recommendation for revised legislation.
- On April 18, 1996, the ICSS Advisory Council established a subgroup to focus on quality assurance and monitoring of the project.

Section 7:

What outside contracts have been negotiated by the Office of the Attorney General for the Child Support Enforcement Program?

The Office of the Attorney General uses competitive bids and competitive proposals to procure services for the Child Support Enforcement Division. (Competitive proposals are similar to competitive bids but are limited in scope by Texas statutes.) In some cases, service contracts are awarded to a sole provider without going through a bidding process because of patents, copyrights, or because the vendor is the only one who supplies the service.

Section 7-A:

Service Contracts Awarded Using the Competitive Bidding Process

Our analysis focused on purchased service contracts with expenditures equal to or greater than \$5,000 in force during the period of September 1992 (beginning of fiscal year 1993) through March 27, 1996.

Since the beginning of fiscal year 1993, 89 vendors provided services to the Child Support Enforcement Division totaling \$19.8 million. (See Appendix 3.) The ten highest-paid vendors accounted for \$10.2 million or 51.6 percent of the total dollars expended during the period. Four of the ten were temporary employment agencies with expenditures totaling \$3.1 million.

Twelve vendors are located out of state. Services provided by these vendors totaled \$1.03 million (or 5.2 percent) of total dollars expended during the period. (See Appendix 4.)

A breakdown of expenditures for contracts by fiscal year is provided in Figure 4:

Figure 4:

Competitively Bid Service Contracts

Fiscal Year	In-State	Out-of-State	Total Expenditures
1993	\$2,886,419	\$293,631	\$3,180,050
1994	\$7,043,284	\$185,536	\$7,228,820
1995	\$5,691,293	\$316,073	\$6,007,366
1996*	\$3,168,587	\$234,421	\$3,403,008

* as of March 27, 1996

(For more detail on competitive bidding contracts and associated payments, see Appendix 5.)

Section 7-B:

Service Contracts Awarded Using the Competitive Proposal Process

Our analysis focused on contracts with expenditures equal to or greater than \$5,000 in force during the period of September 1, 1992, through April 1, 1996.

The Child Support Enforcement Program procured training, consulting, and other professional services from 22 private vendors and state agencies using the competitive proposal process. Services were also obtained from eight local governments using “inter-local contracts.” (See Appendix 6.) Since the beginning of fiscal year 1993 through April 1, 1996, \$26.02 million has been expended. Genetic testing and expert witness services for paternity cases accounted for \$11.4 million (43.7 percent) of the total.

Four vendors are located out of state. Payments to these vendors totaled \$2.6 million (10.2 percent) of total dollars expended during the period. (See Appendix 7.)

A breakdown of expenditures for service contracts by fiscal year is provided in Figure 5:

Figure 5
Competitive Proposal Service Contracts

Fiscal Year	In-State	Out-of-State	Total Expenditures
1993	\$4,417,285	\$804,684	\$5,221,969
1994	\$5,835,598	\$576,646	\$6,412,244
1995	\$9,006,617	\$774,916	\$9,781,533
1996*	\$4,117,989	\$488,961	\$4,606,950

* as of April 1, 1996

(For more detail on competitive proposal service contracts and associated payments, see Appendix 8.)

Section 8:

Has Andersen received payment for all services rendered in accordance with the contract?

The contract provides for payment when specific segments are complete. Based on the terms of the contract, it is our interpretation that Andersen has received all payments that are due. To date, the OAG has paid Andersen a total of \$4,671,594 of the \$11,624,099 contract amount. Andersen has requested payment for its work on Phase II conversion, but the OAG does not agree that conversion has been completed. (See Appendix 9 for more detail on OAG payments to Andersen.)

Andersen has stated that it has completed work on change control requests which it considers to be enhancements that are outside the scope of the contract. Andersen estimates the value of these change control requests at \$2 million. The OAG considers some of the work to be corrections to errors made on the project. The OAG and Andersen have not resolved their differences concerning the disposition of the change control requests. (See Appendix 2 for details on the number of change control requests by TXCSES subfunction.)

In review of the contract and Andersen deliverables, we determined that Andersen has not completed all tasks required in the contract. Andersen did not comply with all requirements for status reports, quality assurance reviews, and conversion documentation. In addition, the OAG assumed some of Andersen's responsibilities, such as tracing federal requirements. Science Applications International Corporation (SAIC) was hired by the OAG to trace requirements. (For a more detailed description of incomplete deliverables, see Appendix 10.)

Section 9:

Has the Office of the Attorney General complied with the State Employees Training Act, and what are the funding sources?

The Office of the Attorney General has an Educational Leave Program which is in compliance with the State Employees Training Act. Employees in the program are allowed to attend classes for a maximum of three hours per week without charging personal leave. Fifteen OAG employees were enrolled in the program for the Spring 1996 semester. Twelve of the fifteen worked for the Child Support Enforcement Division.

One additional OAG employee, who does not work for the Child Support Enforcement Division, attended classes outside the Educational Leave Program. That employee received the approval of the OAG Executive Committee to attend the John F. Kennedy School of Public Affairs at Harvard University on a full-time basis. Additionally, the employee charged 20 hours per week to annual leave and was responsible each week to complete 20 hours of work for the OAG. That work was closely monitored.

There is not a specific funding source for the program. The fund that pays the salary of an employee participating in the program absorbs the cost because the employee is absent without charging leave.

Section 10:

How have the numerous changes in OAG executives and new system development leadership impacted project planning and day-to-day project management?

In testimony to the Committee, Andersen management made comments about changes in OAG management which, in their opinion, generated change requests that delayed implementation of TXCSES. (See Appendix 11 for detail of turnover in OAG management.) However, when we contacted the former Andersen Project Manager for TXCSES, he said that he did not believe that changes in management caused significant delays. In his opinion, delays to the project were attributable to the following:

- Delays in receiving requirements from the Federal Government
- The complexity of the child support enforcement systems
- The OAG's emphasis on legal forms

The State Auditor's Office requested that Andersen provide specific examples to support its claims that changes in OAG management caused project delays. Andersen has not provided examples to support claims that turnover caused the delays. Andersen suggested that the SAO review the change control requests (CCRs) to determine OAG management's changes. We evaluated 354 CCRs to the contract. This represents every CCR to Amendment 5—in process or completed—that had been written as of June 1996. Amendment 5 established February 1995 as the implementation date. If the February 1995 date was feasible, the change requests we evaluated should be the only change requests that could have delayed implementation. We found one CCR that was the result of a management request. Andersen documented spending 45 minutes on that CCR.



**Office of the Attorney General
State of Texas**

DAN MORALES
ATTORNEY GENERAL

January 10, 1997

Via Hand Delivery

Ms. Fran Carr, CPA
Office of the State Auditor (SAO)
P.O. Box 12067
Austin, Texas 78711-2067

Dear Fran:

Again, thank you for the opportunity to review and respond to the draft report entitled, *An Audit Report Responding to Questions of the Senate Interim Committee on Juvenile Justice and Child Support*. As noted in our earlier two responses (letters from me to you dated August 5 and August 26, 1996), we appreciate the exceptionally thorough work performed by SAO staff during their initial analyses and audits of the automated Texas Child Support Enforcement System (TXCSES) Project. We would also like to express our appreciation of the subsequent audit and monitoring work that your staff has performed pursuant to the Senate Committee's directive. It is our opinion that the *substantial progress ... made toward implementation* cited in the Key Points section of your report is due, in part, to the SAO's assignment of two full-time staff on-site to the TXCSES Project.

Key Points Comments: After carefully reviewing the draft, we are in agreement with most of the key facts and points presented in the report. However, the following excerpt from the fifth bullet of the Key Points Section merits further discussion and clarification.

...While the OAG has been inconsistent in enforcing the terms of the contract, Andersen has not completed all required tasks. ...

First, I would like to emphasize that we were, and are fully aware that Andersen Consulting (Andersen) has not completed all required tasks, nor complied with all contractual requirements, as stated in the Executive Summary of your report. We have communicated in writing our concerns regarding this failure to perform to Andersen management at various times. In fact, the OAG has consistently tried to enforce the terms of the contract. However, **our success in enforcing all of the requirements of the contract has varied over time**, particularly with regard to compelling Andersen to complete all tasks and products associated with deliverables.

OAG staff drafted the contract between the OAG and Andersen to protect the interest of the State of Texas. However, as we have learned during the course of the TXCSES project, protecting the interest of the State can sometimes require balancing the rigid enforcement of contractual requirements against the continuation of critical project activities, particularly when federal project deadlines and program funding are at stake.

Over time, the OAG has tried numerous balancing strategies to secure full contractual compliance from Andersen, while simultaneously trying to move the project forward. However, as you have noted, we have encountered difficulty in obtaining satisfactory performance from Andersen. We agree completely with your assessment that we have had problems in obtaining satisfactory compliance from Andersen in the following areas:

- Project Status Reporting;
- Quality Assurance Reviews;
- Conversion Documentation; and
- Other contractually specified product documents, such as up-to-date maintenance of the requirements traceability matrix.

When our recurring efforts failed to elicit the desired results from Andersen, and after documenting those efforts, OAG staff have sometimes assumed responsibility for producing certain documents and products in an effort keep the project on schedule. At other times, we have made conditional payments, with federal approval, to Andersen, appending Memoranda of Understanding to such payments, which preserved the State's legal rights to recover any such payments. On several occasions we have rejected requests by Andersen for payment, citing extensively documented reasons for the rejections. One of these payment rejections resulted in Andersen walking out on the project for a brief period of time. They returned only after a formal legal demand that they do so. Most recently, as noted in Section 8 of your report, the OAG hired a systems development expert, Science Applications International Corporation (SAIC), to identify and trace the system requirements. In summary, the OAG has used every reasonable measure, short of terminating its contract with Andersen, in trying to obtain full contractual compliance from its project consultant.

Executive Summary Comments: We agree with the SAO's assessment that significant progress toward implementation has been made since the Senate Committee's directive, and would like to note that OAG staff have demonstrated their dedication to implementing TXCSES by working several thousands of hours of overtime each month, the equivalent of more than 1.5 person years, on the project since September, 1996.

In point of fact, these hours were required in part due to *the substantial number of errors ... detected in [system] testing that required correction*. As illustrated by your Appendix 3, between June 11, 1996 and January 1, 1997, the TXCSES Project staff identified 1,178 System Investigation Requests (SIRs). This figure comprises 13 percent of the 9,010 cumulative total of SIRs identified as of January 1. In conclusion, we strongly support your finding that the substantial number of programming errors detected in the process of system testing has contributed to the extension of the implementation date.

In addition, we would like to underscore the point made in your report about how the inherent complexity of child support enforcement systems has caused delays in this system project schedule. This complexity has also been demonstrated by the experience of most of the other states and territories under mandate to implement these systems. To the best of our knowledge, no other large

state has yet to implement or request certification for its automated Child Support Enforcement System. The 1995 congressional extension of the original system development deadline by two years also supports the impact that both system complexity and changing federal regulations have had on system development. Recognizing the challenges and risks posed by implementing such a complex system, OAG Management contracted for an independent risk assessment analysis to be performed on the project in September 1996. This technical assistance was obtained from SAIC through an interagency contract with the Department of Information Resources (DIR). After receiving the results of this report, we contracted once again with SAIC through DIR for follow-up risk mitigation services, which continue to date.

Recommendations: For the reasons cited above, as well as our recognition that even under the most ideal circumstances, an automation project of this scope, complexity, and duration poses significant challenges, we have prepared a series of recommendations focused on helping all state agencies [OAG included] to meet these challenges. The recommendations, which were first prepared by OAG staff in response to a request by the Senate Interim Committee on Juvenile Justice and Child Support for input to the Committee's report, are supportive of recent legislative efforts to monitor large automation projects, via such means as the Quality Assurance Team (QAT). In fact, the OAG recommends that the role of the QAT be expanded, with requisite resources, to provide planning and technical assistance as well as project management and conflict management assistance for these types of projects. The recommendations also call for the development of minimum technical standards to assist in the management and evaluation of these projects.

Again, we sincerely appreciate the efforts made by your staff in conducting this audit, including the constructive criticism and suggestions made during the course of the audit. We have found the revamping of the Issues Tracking Log particularly helpful. We also want to re-emphasize our commitment to implementing a fully functional automated system that will meet federal and state requirements while significantly improving service to our customers.

Sincerely,

Jorge Vega

First Assistant Attorney General

January 10, 1997

Ms. Fran Carr, CPA
Project Manager
Office of the State Auditor
Two Commodore Plaza
206 East Ninth Street, Suite 1900
Austin, TX 78701

Via Hand Delivery

Dear Ms. Carr:

We are in receipt of your draft report dated January, 1997 and, after review, are disappointed that you continue to incorrectly portray Andersen Consulting's responsibilities and performance-to-date regarding the Texas Child Support Enforcement System (TXCSES) project. Many of the concerns expressed in our previous responses to your earlier draft reports set forth in our letters dated August 5, 1996, August 23, 1996 and August 28, 1996 remain. While our specific concerns are too numerous to detail – especially given your limit of “up to three pages of responses” -- a few clarifications in areas of greatest concern are summarized below (not necessarily in the order of importance):

- Andersen Consulting (AC) does not have turnkey responsibility for the TXCSES project. The State of Texas has contractual obligations, accepted in good faith by AC, that must be performed in a timely manner in order for AC recommended project schedules to be met. Numerous responsibilities (deliverables, work products, etc.) characterized by your office as “Andersen” responsibilities, are in fact “project” deliverables and are the shared responsibility of AC and the State of Texas, with the State being “lead” or even solely responsible in a number of project areas.
- AC has no control over any of the TXCSES costs in excess of that portion of the contract amount awarded to AC in the sum of \$11,624,099.⁰⁰ It should be noted that to date we have only been paid \$4,671,594. Our

Firm has no contractual authority over or responsibility for the other \$63+ million (approximately 85%) of the Texas project expenditures.

- AC has performed millions of dollars of contractual services for the State of Texas for which we have not yet been paid.
- The United States Office of Child Support Enforcement (USOCSE) has consistently rendered positive reports regarding TXCSES.
- TXCSES' design is in accordance with our contract amendment dated September 16, 1994, and USOCSE certification guidelines. The State of Texas has provided written acceptance of that design.
- AC has no contractual authorization or responsibility to implement any changes in TXCSES functionality resulting from changes in State and/or Federal policy – including calculating changes in arrearages, implementing Federal Welfare Reform and numerous other State initiatives.
- Through today, January 10, 1997, TXCSES has successfully processed actual transactions (extracted from the current system on a daily basis) for approximately 50,000 cases for seventy-two consecutive days (since November 1, 1996). This includes two month-end processing cycles and one quarterly processing cycle.

Many of the above clarifications, as well as numerous others, have previously been brought to your attention by our Firm, as well as our legal representatives, Baker & Botts L.L.P. In spite of our expressed concerns including, but not limited to "*the potential negative impact . . . on . . . Andersen Consulting in the marketplace*", and many inaccuracies in your report, some of which we specifically called to your attention in August, 1996, your draft report somehow was provided to the media. That report and the negative impact of media articles have materially contributed to a loss of AC's image in the marketplace and may have reduced revenues to our Firm. We are investigating same. Again, we ask you to accurately portray the qualities of the TXCSES as well as the responsibilities and performances of AC and the State of Texas.

AC is proud of its record of providing quality professional services to the State of Texas. AC and the State of Texas, working together, have implemented several nationally recognized award-winning systems. Our Firm believes that TXCSES will be similarly recognized. AC also believes that our current working relationship with the State of Texas Office of the Attorney General is constructive, and that we are working together to create a Child Support Enforcement System that is second to none.

Very truly yours,
Andersen Consulting LLP

By Warner B. Croft

c: Lawrence F. Alwin, State Auditor
Hon. James E. "Pete" Laney, Chair, Legislative Audit Committee
Bob Bullock, Vice Chair, Legislative Audit Committee
Hon. Chris Harris, Chair, Senate Interim Committee on Juvenile Justice
and Child Support
Robb L. Voyles, Baker & Botts, L.L.P.

WBC/sm

State Auditor's Follow-Up Comment

We respect the right of Andersen Consulting to express its opinion regarding our audit report. Throughout the audit, we gave Andersen ample opportunity to provide facts that were relevant to the questions asked by the Senate Interim Committee on Juvenile Justice and Child Support (Committee). We carefully reviewed all of Andersen's concerns regarding earlier drafts of our report and the final draft. We made changes at Andersen's request in order to clarify some issues. However, after reviewing all available evidence, we stand by the completeness of our audit procedures and the appropriateness of the conclusions reached.

Andersen's "areas of greatest concern" extend beyond information contained in this report. The scope of our work was limited to answering specific questions asked by the Committee. We made no attempt to address issues outside of the Committee's request.

Andersen denies having "turnkey responsibility" for the project. Because in many cases performance responsibilities under the contract are shared between Andersen and the Office of the Attorney General, a major dispute has arisen between the parties concerning who bears responsibility for the failure to perform as promised. We note that the contract contains the following provision:

"The Consultant will be accountable for managing and delivering all tasks using Attorney General Project, CSEP or data services staff and resources in accordance with the Consultant Detailed Work Plan...and the deliverables commitment of this Contract. Assignment of Attorney General staff to TXCSES design, development, testing and implementation activities in no way releases the Consultant from its responsibility for completing any work or delivering any products set forth in this Contract, its Statement of Work or the Consultant Detailed Work Plan..."

Andersen indicates that 50,000 transactions have been successfully processed. However, the transactions mentioned were part of testing which did not include the rigors of normal production conditions. During this stage, errors and abnormal process endings have been documented. This testing is only one of the interim steps in system development. The final test of TXCSES readiness will be measured during pilot testing. Pilot testing is currently scheduled to begin in February 1997.

In regard to the issue of our draft report being provided to the media, it is the policy of the State Auditor's Office to provide a draft report *only* to the *client/auditee* of an audit for review and response. The draft report is a confidential document. The media did not receive a copy of the draft report from the State Auditor's Office.

History of TXCSES Certification Activities

Activity	Actions Required	Start Date	Status	Results/Comments
Pre-Certification				
Conducted during the federal yearly status review.	Review by the United States Office of Child Support Enforcement (USOCSE) of 676 federal functions required in new system; questionnaire is administered by the Federal Review Team.	September 1995	Completed	There were 24 exceptions. Nineteen have been resolved. The remaining 5 exceptions will be resolved when USOCSE returns for Level I certification.
	OAG must demonstrate system and provide documentation requested by USOCSE.		Completed	OAG is still in the process of gathering documentation requested by USOCSE during annual visit. Plans are to demonstrate parts of the system to resolve the remaining exceptions.
	Draft of status report to be issued to OAG for responses.		Completed	
	Final report issued by USOCSE 30 days later.		Completed	Release date June 3, 1996. The report had seven findings, but the Federal Review Team found that TXCSES appears capable of supporting federal requirements upon full implementation. In reference to the OAG staff, the report stated that TXCSES has benefitted "from a dedicated and effective project management organization; competent and dedicated staff; and executive support."

History of TXCSES Certification Activities, continued

Activity	Actions Required	Start Date	Status	Results/Comments
<p>The report also reported that "the State had experienced difficulties with its implementation contractor, Andersen Consulting, in receiving an acceptable implementation plan." The plan with the December 1, 1995, statewide implementation date was reviewed by the State and determined to provide a very superficial integrated system test, almost no stress test, and a very short time for a systems pilot. "It would also be impossible for the State to convert existing cases and to implement the necessary interfaces within this time frame."</p>				
<p>Financial Module System Test</p>				
	<p>System test the module to validate the distribution of child support collections.</p>	<p>March 1994</p>	<p>Completed In June 1996, OAG began testing the financial module against converted data.</p>	<p>System testing of the financial portions of the system was started in March 1994. In June 1996, systems testing of financial was halted and all incomplete testing was carried forward to be included in the system test of financial against converted data. The modules are being tested at a lower level of detail including a reconciliation of what is transmitted to OAG accounting, what is reported as cash in treasury, and what is on USAS. Errors have been noted and are being investigated and corrected.</p>

History of TXCSES Certification Activities, continued

Activity	Actions Required	Start Date	Status	Results/Comments
Test Deck of 50 Child Support Cases				
Financial module must first be fully system - tested before the test deck can be run.	Testing of 50 child support cases selected by USOCSE to determine that child support collections are distributed according to federal requirements	September 1996	Completed	<p>Certification Team leader speculates that USOCSE will come back with the test deck and run it themselves on the system.</p> <p>Testing of Financial Against Converted Data (FACD) has completed four of the six scheduled processing days. The remaining two processing days are expected to be completed by January 31, 1997.</p>
Level I Certification				
Test deck must be completed and submitted to USOCSE 60 days prior to the scheduling of a Level I certification visit.	Request Level I Certification	September 1996	Completed	<p>The Level I certification review was originally requested in July 1995. However, in a meeting with representatives from the USOCSE, a question was raised as to whether the Level I and Level II certification reviews should be combined. The federal representatives suggested that a separate Level I review be scheduled and performed only if there would be no adverse impact on the implementation date.</p>
	Have a completed questionnaire for USOCSE that contains all "yes" answers or provides satisfactory explanations of why software does not have a required function.		Completed	<p>For some exceptions noted during the pre-certification, a demonstration will be given to USOCSE when they return for Level I certification.</p>

History of TXCSES Certification Activities, continued

Activity	Actions Required	Start Date	Status	Results/Comments
	Submission of test deck to USOCSE.		Completed	The test deck was submitted to USOCSE and to the Administration for Children and Families (ACF), a division of USOCSE, in November 1996.
	Schedule the Level I certification review.		Pending	This activity can not be scheduled until there is a defined plan for pilot and the resources needed for pilot have been identified. When the resource needs have been identified, then an analysis must be undertaken to determine whether the Level I certification review can be performed without adversely impacting the implementation date.
Statewide Implementation of TXCSES				
Implement TXCSES	The system must be operational as the statewide system of record.			The latest published implementation date by the project has been February 1, 1997. However, in executive meeting discussions about the training schedule there was agreement that the earliest that the system could be implemented was March 1, 1997. Based upon the amount of work remaining and the USOCSE recommendations, an April or May implementation is more likely.

History of TXCSES Certification Activities, concluded

Activity	Actions Required	Start Date	Status	Results/Comments
<p>Level II Certification</p> <p>Cannot be requested until system has been implemented statewide and test deck has been submitted to federal reviewers</p>	<p>Formally request Level II certification. (Can be requested anytime prior to the October 1, 1997, deadline.)</p>			<p>As long as final certification has been requested before October 1, 1997, there is not a threat of loss of funding.</p>
<p>Deadline to Complete Federal Certification</p>		<p>October 1, 1997</p>		<p>If certification is not received, federal funding for Child Support Enforcement would be subject to termination.</p>

Description of TXCSES Functions/Subfunctions

Function (A)	Subfunction (A)	# Modules as of 6/24/96 (B)	# Modules as of 1/1/97 (B)	# Technical QCs as of 6/24/96 (C)	# Technical QCs as of 1/1/97 (C)	# of CCRs as of 6/4/96 (D)	# of CCRs as of 1/1/97 (D)	# of SIRS as of 6/11/96 (E)	# of SIRS as of 1/1/97 (E)	# of PACs as of 6/11/96 (F)	# of PACs as of 1/1/97 (F)	
No function		5	5			1	1			5		
Case Establishment (CE) (1)	Case Initiation	324	437	751	797	61	61	1520	1555	327	374	
	Case Management	345	363	384	391	26	26	544	583	502	636	
	Locate	183	215	292	359	94	94	569	581	365	400	
	Multiple CE (2)					13	13					
	Total CE	852	1015	1427	1547	194	194	2633	2719	1194	1410	
Financial (FI)	Accrual	7	19	31	31	4	4	20	47		1	
	Adjustments	94	132	340	366	3	3	188	378		2	
	Billing	19	26	70	70	4	4	83	111	2	3	
	Collections	82	98	498	500	25	25	161	247		7	
	Disbursements	83	127	263	264	11	11	117	152	4	9	
	Distribution	29	37	204	204	6	6	166	217			
	Form Edits	2	32	146	201							
	Financial Inquiry	91	84	227	227	4	4	74	130			
	Support Order	96	119	264	264	9	9	301	387	5	12	
	Other/Multiple (3)											83
	Total FI	510	674	2043	2127	98	98	2373	3123	90	117	
	Legal Enforcement (LE)	Enforcement	124	117	503	506	19	20	865	896	159	228
		Establishment	239	259	837	838	21	21	614	614	311	329
		Both					39	39				
		Total LE	363	376	1340	1344	79	80	1479	1510	470	557
Cross Functional (CF) (4)	Archive	342	345	97	97			29	31	1	10	
	Common Modules	429	215	536	545			126	128	38	43	
	Conversion	*	*	*	*	*	6	298	518	1115	1165	
	Edits	1	8	53	53							
	Form Edits	151	108	690	698							
	Interfaces	151	140	1055	1114	11	11	392	418	204	243	
	Interstate	19	54	72	72	22	23	319	350	25	67	
	Management Reports	100	168	790	830			17	26	2	42	
	Reference Tables	131	131	169	180							
	Total CF	1324	1169	3462	3589	33	40	1181	1471	1385	1570	
Other (5)											371	
Multiple (6)											27	
Grand Totals		3054	8272	8607	471	481	7832	9010	3448	4025		

* Counts for modules, programs, TOCs, and CCRs not specifically tracked for conversion activities.

Description of TXCSES Functions/Subfunctions, continued

- (A) The categorization by function and subfunction was defined by OAG Quality Assurance.
- (B) Information from the Excel Program Inventory provided by OAG Quality Assurance. Modules include programs, subprograms, subroutines, and common codes used repeatedly.
- (C) Information from the IQC Database provided by OAG Quality Assurance. Technical QCs are specific instances in which the deliverables submitted for QA review did not meet the standards for the project.
- (D) Information from the OAG Excel CCR tracking spreadsheet. CCRs (Change Control Requests) are requested major changes to the TXCSES System. This information excludes CCRs with a status of Deferred, Rejected, Management Review, and Impact Analysis.
- (E) Information from the OAG Excel SIR tracking system. SIRs (System Investigation Request) document anomalies during system testing. These numbers include the first 1,758 SIRs that were tracked by Andersen prior to the OAG taking over this process in May 1994. The allocation above reflects cleanup of function and subfunction on the tracking system performed after June 1996.
- (F) Information from the OAG Excel PAC tracking system. PACs (Pilot Assessment Checksheet) document anomalies during pilot testing. The allocation above reflects cleanup of function and sub-function on the tracking system performed after June 1996.
- (1) Case Establishment - The function made up of the Case Initiation, Case Management, and Locate subfunctions.
- (2) Multiple CE - CCR/SIR/PACs which refer to multiple subfunctions within the CE function.
- (3) Other/Multiple - CCR/SIR/PACs that refer to a subfunction that is not listed or for multiple subfunctions in the Financial function.
- (4) Cross Functional - Subfunctions which access, provide input to, or depend on the CE, FI, and/or LE functions.
- (5) Other - Subfunctions that are not contained in the above-listed functions.
- (6) Multiple - CCR/SIR/PACs that refer to multiple subfunctions that cross functional groups.

Description of TXCSES Functions/Subfunctions, continued

Technical Quality Control

The purpose of Technical Quality Control (TQC) is to ensure compliance with technical standards. The ongoing technical quality control assessment is performed to identify, quantify, and reduce problems or defects in a process or product.

Quality control aids in decreasing the cost of a project (personnel time and money) over the long term. This is because the cost of correcting errors increases exponentially as a project proceeds from design to coding and installation. Standards are a part of planning for quality through error prevention. Error prevention is less expensive than error correction.

Discrepancies with coding standards, screen standards, program documentation, and functionality are included in the total number of TQC's identified for each subfunction in the preceding table. TQC discrepancies identify noncompliance to standards designed to prevent errors and promote quality in the project.

Change Control Requests

Program changes are always required during development. Therefore, the contract included a section on Change Control Requests (CCRs). CCR information in the contract includes the following:

- The Consultant will use a formal change control process to manage, control, and structure the overall development process to ensure consistency with the change control approach used by the Attorney General. Each change request will specify the scope of the change required and include screens, programs, data elements, and files affected by the change. The Consultant will use a change control request to obtain written approval of all design modifications or changes required by the Attorney General.
- If investigation by the Attorney General or the Consultant reveals a system deficiency requiring a change, the Consultant will be responsible for correcting the deficiency as identified by the CCR at no additional cost to the Attorney General. These changes will also be controlled through the CCR process. A deficiency is a finding documented in writing by the Attorney General or the Consultant that the system design and/or system operations are out of compliance.
- A deviation occurs if the Consultant and the Attorney General disagree as to the interpretation or application of federal regulation or certification requirement and the Attorney General instructs the Consultant in writing to

Description of TXCSES Functions/Subfunctions, concluded

undertake changes in system design or system programming in accordance with the Attorney General's interpretation of the regulation or certification requirement. Subsequent changes to system design or system programming required for system certification because of a deviation authorized by the Attorney General shall be at the sole expense of the Attorney General. A deviation may only be approved by the Project Manager designated by the Attorney General.

There have been 777 total CCRs documented for TXCSES with 281 CCRs being rejected or deferred. An additional 15 CCRs are being analyzed for impact or are awaiting management review to determine if these should be included prior to implementation.

Amendment 5 of the contract addressed all 312 CCRs initiated through April 8, 1994, and 3 additional CCRs that were included even though they were initiated after that date. These 315 CCRs include 144 CCRs that were specifically required to be performed. Of these 315 CCRs, Andersen claims 27 are enhancements, but the OAG disagrees.

Andersen has claimed that there are 89 CCRs (post-Amendment 5) that it considers outside the scope of the current contract. There are another 7 CCRs that were in process but Andersen put on hold because it considered them enhancements. The OAG has agreed that 12 of these CCRs are indeed enhancements. No resolution has been reached on the other 77 CCRs.

System Investigation Requests and Pilot Assessment Checksheets

System Investigation Requests (SIRs) and Pilot Assessment Checksheets (PACs) are requests for investigations into testing anomalies. The more PACs and SIRs that are identified as errors the less confidence there is in the system. A lack of confidence in a system should lead to increasing the amount of testing performed.

Each error identified in testing will be corrected and retested. Testing and retesting is an expensive exercise, but preferable to installing a non-functioning system with errors that will be expensive and difficult to maintain after installation.

Appendix 3:

Total Expenditures for Each Competitive Bidding Vendor⁹

(for period of September 1, 1992, through March 27, 1996)

Vendor	Total Expenditures
IBM Corporation	\$ 2,066,127.72
Lockheed IMS	\$ 1,417,653.59
Hitachi Data Systems	\$ 1,154,556.70
Kelly Temporary Services	\$ 1,069,069.57
Software AG	\$ 993,016.00
Temporaries Inc.	\$ 794,328.93
Allied Consultants	\$ 748,821.50
Manpower Temporary Services	\$ 744,738.61
RFD Company	\$ 642,287.25
Olsten Temporaries	\$ 589,626.35
Cummins Allison Corp.	\$ 506,836.27
Volt Temporaries	\$ 505,426.59
Central Transportation	\$ 493,126.24
Computer Associates	\$ 475,263.54
RFD & Associates	\$ 460,862.50
Candle Corporation	\$ 402,890.00
C&T Consulting Group	\$ 399,889.50
Western Temporaries	\$ 380,979.43
Memorex Telex	\$ 359,851.70
Central Texas Communications	\$ 331,615.19
Sabredata	\$ 320,930.87
CW Systems	\$ 315,959.65
APYX Business Systems	\$ 260,637.81
BCC Teleco	\$ 228,631.79
Legent	\$ 201,687.00

Vendor	Total Expenditures
Victina Systems	\$ 187,106.25
Austin Temporaries	\$ 177,366.47
Xerox	\$ 170,257.30
OCSE	\$ 161,999.60
ASCI	\$ 156,033.00
Wiltel	\$ 146,685.97
RFD & Associates Inc.	\$ 144,980.00
Austin Technidata Inc.	\$ 138,908.12
Central Freight Lines	\$ 128,288.59
Computer Support Inc.	\$ 124,834.00
Dataplex	\$ 112,052.51
Base Systems	\$ 110,913.00
Airborne Freight	\$ 108,586.08
DIR/Banctec	\$ 101,520.00
Mead Data Central	\$ 100,217.14
Bailey Personnel Service	\$ 99,795.61
Adia Personnel Services	\$ 95,740.27
Action Employment Agency	\$ 88,140.60
Software Engineering	\$ 86,976.00
Olsten Temporary Services	\$ 85,827.79
SWB Teleco	\$ 80,258.53
Advantis	\$ 79,845.73
Scan Optic Inc.	\$ 70,092.00
Dallas Computer Service	\$ 63,017.33
Treehouse	\$ 63,000.00

⁹Child Support Enforcement expenditures summarized by vendor and in descending order, for services obtained using the competitive bidding process.

Appendix 3:

Total Expenditures for Each Competitive Bidding Vendor,⁹ concluded
 (for period of September 1, 1992, through March 27, 1996)

Vendor	Total Expenditures
Business Control Systems	\$ 62,041.50
TRC Staffing	\$ 59,999.05
Decision Data Service	\$ 59,992.88
Central Transportation Systems	\$ 59,694.35
Net Serv Inc.	\$ 55,176.00
Express Services	\$ 52,625.08
United Van Lines Inc.	\$ 51,219.02
Job Find Inc.	\$ 49,667.18
Congressional Quarterly	\$ 47,831.00
West Publishing	\$ 40,244.61
BCC Telco	\$ 37,761.75
DIR	\$ 31,039.00
ACS Dataline	\$ 28,145.58
Temporary Services Unlimited	\$ 26,485.37
Advanced Temporaries	\$ 25,124.27
Boole & Babbage	\$ 24,599.00
Software Artistry	\$ 23,364.00
Career Personnel	\$ 23,319.34
A & A Telecom Group	\$ 22,962.88
Netcon	\$ 21,792.00
Temporaries Plus	\$ 21,560.98

Vendor	Total Expenditures
Cascade Technologies	\$ 21,528.32
Bell Atlantic Business Service	\$ 21,105.00
RMS Communications	\$ 16,475.63
Cleanco	\$ 16,335.00
Programart	\$ 16,127.49
A C Express Courier Service	\$ 15,276.00
A Apple Vacuum Center	\$ 14,177.61
Amdahl	\$ 13,600.00
Belcan	\$ 12,901.25
Geologics Corporation	\$ 12,782.00
Schmidt Electric	\$ 11,504.00
Huffco Services Company	\$ 9,476.00
Liebert	\$ 9,108.00
BMC Software	\$ 8,500.00
Castele Auto Fire Protection	\$ 8,499.00
Levi Ray & Shoupe	\$ 8,000.00
Idea-Servcom	\$ 7,692.68
DIR/SAS Institute	\$ 7,145.00
Chubb Security Systems Inc.	\$ 6,065.25
Sybase	\$ 6,000.00
H&W Computer	\$ 5,046.39

⁹Child Support Enforcement expenditures summarized by vendor and in descending order, for services obtained using the competitive bidding process.

Appendix 4:

Total Expenditures for Each Out-of-State Competitive Bidding Vendor¹⁰
(for period of September 1, 1992, through March 27, 1996)

Vendor	Total Expenditures
Cummins Allison Corp	\$ 506,836.27
OCSE	\$ 161,999.60
Software Engineering	\$ 86,976.00
Advantis	\$ 79,845.73
Treehouse	\$ 63,000.00
Congressional Quarterly	\$ 47,831.00
Software Artistry	\$ 23,364.00
Cascade Technologies	\$ 21,528.32
Programart	\$ 16,127.49
Liebert	\$ 9,108.00
Levi Ray & Shoupe	\$ 8,000.00
H&W Computer	\$ 5,046.39

¹⁰Child Support Enforcement expenditures summarized by vendor in descending order, for services obtained out of state using the competitive bidding process.

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1994	400736	A & A Telecom Group	\$ 6,253.97	Phone Systems for Area F
1995	400736	A & A Telecom Group	\$ 11,260.50	Phone Systems for Area F
1994	400737	A & A Telecom Group	\$ 5,448.41	Phone Systems for Area C
1993	201918	A Apple Vacuum Center	\$ 14,177.61	Encumber Funds for Time and Materials Contract (Phone MNT)
1994	400895	A C Express Courier Service	\$ 6,555.00	Courier Service
1995	400895	A C Express Courier Service	\$ 8,721.00	Courier Service
1993	200955	ACS Dataline	\$ 13,931.96	Estimated Labor and Overtime Labor 4 Pair Plenum Cable
1994	200955	ACS Dataline	\$ 14,213.62	Time and Materials Contract for Telephones
1993	302790	Action Employment Agency	\$ 13,320.34	Estimated Temporary Service for FY 93
1994	302790	Action Employment Agency	\$ 74,820.26	Estimated Temporary Service for FY 94
1993	300168	Adia Personnel Services	\$ 17,278.50	Temporary Service
1994	300168	Adia Personnel Services	\$ 70,174.78	Temporary Service
1995	300168	Adia Personnel Services	\$ 8,286.99	Blanket Contract for Temporary Employees
1993	303209	Advanced Temporaries	\$ 5,804.79	Temporary Service
1994	303209	Advanced Temporaries	\$ 19,319.48	Temporary Service
1993	300151	Advantis	\$ 7,191.21	IBM Info Net Conn
1994	400185	Advantis	\$ 23,237.31	Annual Connection Fee for IBM Information Network
1995	400185	Advantis	\$ 6,155.00	Annual Connection Fee for IBM Information Network
1995	500509	Advantis	\$ 15,410.14	Network Connection Fee October 1, 1994, to August 31, 1995
1996	500509	Advantis	\$ 15,126.60	Network Connection Fee October 1, 1994, to August 31, 1995
1996	600677	Advantis	\$ 12,725.47	Annual Connection Fee for IBM NW Connection Lease

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1993	302935	Airborne Freight	\$ 21,413.66	Airborne Express Delivery Services
1994	302935	Airborne Freight	\$ 24,078.08	Airborne Express Delivery Services
1994	402106	Airborne Freight	\$ 18,374.90	Airborne Express Delivery Services
1995	402106	Airborne Freight	\$ 17,354.95	Airborne Express Delivery Services
1995	502134	Airborne Freight	\$ 9,302.76	Airborne Express Delivery Services
1996	502134	Airborne Freight	\$ 18,061.73	Airborne Express Delivery Services
1994	402094	Allied Consultants	\$ 139,612.50	Programmer Services: Cynthia Vasquez and Terri White
1995	402094	Allied Consultants	\$ 298,660.00	Programming Services
1994	402979	Allied Consultants	\$ 20,720.00	Programming Services
1995	402979	Allied Consultants	\$ 7,840.00	Programming Services
1995	501641	Allied Consultants	\$ 23,694.00	Technical Services
1995	503120	Allied Consultants	\$ 49,875.00	Contract Services of Programmer Analysts
1996	503120	Allied Consultants	\$ 208,420.00	Contract Services of Programmer Analysts
1996	600687	AMDAHL	\$ 13,600.00	AMDAHL 6110 Maintenance
1994	302654	APYX Business Systems	\$ 36,736.75	Time and Materials Contract Renewal for Various Units
1994	302655	APYX Business Systems	\$ 11,037.50	Time and Materials Contract
1994	302656	APYX Business Systems	\$ 84,273.56	Time and Materials Contract for FY 94
1994	302657	APYX Business Systems	\$ 24,634.00	Time and Materials Contract
1994	400107	APYX Business Systems	\$ 9,876.70	Time and Materials Contract for Area E
1995	400107	APYX Business Systems	\$ 6,422.00	Time and Materials Contract for Area E
1995	500618	APYX Business Systems	\$ 8,039.50	Telecommunications Maintenance for Units 602 603
1995	500619	APYX Business Systems	\$ 6,144.00	Telecommunications Maintenance for Units 401 404 405 406 40
1996	500625	APYX Business Systems	\$ 7,181.00	Telecommunications Maintenance for Units 307 308 707 \$3000 0

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1995	500628	APYX Business Systems	\$ 10,611.00	Telecommunications Maintenance for Units 505 604 605 606 607
1995	500629	APYX Business Systems	\$ 7,703.30	Telecommunications Maintenance for Units 111 and 112
1995	500630	APYX Business Systems	\$ 5,267.00	Telecommunications Maintenance for Units 202 203 205 214 219
1996	600719	APYX Business Systems	\$ 42,711.50	Time and Materials Contract for Labor in FY 96
1994	403473	ASCI	\$ 10,147.50	Programming Services for Programmer Analyst
1995	403473	ASCI	\$ 69,660.00	Programming Services
1995	503119	ASCI	\$ 16,222.50	Contract Services of Programmer Analysts
1996	503119	ASCI	\$ 60,003.00	Contract Services of Programmer Analyst
1995	200171	Austin Technidata Inc.	\$ 23,325.15	Cabling Services for NSD Statewide Implementation
1995	500397	Austin Technidata Inc.	\$ 115,582.97	Cable Pulling Services
1993	301445	Austin Temporaries	\$ 34,104.73	Temporary Services
1994	301445	Austin Temporaries	\$ 132,910.67	Temporary Service
1995	301445	Austin Temporaries	\$ 10,351.07	Temporary for September and October/Conversion
1994	400052	Bailey Personnel Service	\$ 99,795.61	Estimated Temporary Service for FY 94
1994	403420	Base Systems	\$ 28,935.00	Programming Services
1995	403420	Base Systems	\$ 72,090.00	Programming Services
1996	601869	Base Systems	\$ 9,888.00	Contract Services for Programmer Analyst
1993	200971	BCC Telco	\$ 9,298.32	Time and Materials Contract
1994	200971	BCC Telco	\$ 28,463.43	Time and Materials Contract
1993	200954	BCC Teleco	\$ 62,750.56	Time and Materials Contract
1994	200954	BCC Teleco	\$ 111,866.65	Encumber Funds for Telephone Maintenance (FY 94)
1994	200972	BCC Teleco	\$ 47,441.23	Encumber Funds
1996	600720	BCC Teleco	\$ 6,573.35	Time and Materials Contract for Labor in FY 96

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1996	601206	Belcan	\$ 12,901.25	Temporary Technical Services Blanket Order for FY 96
1996	600727	Bell Atlantic Business Service	\$ 21,105.00	Third Party Maintenance
1996	600713	BMC Software	\$ 8,500.00	Annual Maintenance for 3270 Super Optimizer CICS MVX Software
1993	300069	Boole & Babbage	\$ 5,644.00	CMF Monitor
1994	400181	Boole & Babbage	\$ 5,644.00	Maintenance on CMF Monitor-MVS/ESA Software
1995	500097	Boole & Babbage	\$ 5,117.00	CMF Monitor MVS/ESA Software
1996	600109	Boole & Babbage	\$ 8,194.00	Annual Maintenance Renewal for CMF Monitor MVS/ESA
1995	503165	Business Control Systems	\$ 15,861.00	Temporary Services Programmer Analyst
1996	503165	Business Control Systems	\$ 46,180.50	Temporary Services
1994	400569	C&T Consulting Group	\$ 38,205.00	Applications Software Services
1995	400569	C&T Consulting Group	\$ 67,337.50	Programming Services
1994	401110	C&T Consulting Group	\$ 198,397.50	Programming Services
1995	401110	C&T Consulting Group	\$ 95,949.50	Programming Services
1994	202736	Candle Corporation	\$ 8,100.00	Omegamon II for VTAM Mainframe Software
1993	300070	Candle Corporation	\$ 30,400.00	Omegamon
1993	300156	Candle Corporation	\$ 7,650.00	C/L Supersession
1994	400183	Candle Corporation	\$ 35,825.00	Supersession Omegamon AF-operator A-F Remote Maintenance
1995	501594	Candle Corporation	\$ 188,140.00	CL Supersession for MVS Omegamon for CICS Omegamon for MVS I
1996	600659	Candle Corporation	\$ 79,150.00	Supersession CICS MVS Omegamon II
1996	601566	Candle Corporation	\$ 53,625.00	Omegamon II and Omegaview Group 70 Level
1993	302170	Career Personnel	\$ 6,630.53	Temporary Service
1994	302170	Career Personnel	\$ 16,688.81	Temporary Service

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1995	502171	Cascade Technologies	\$ 11,700.00	Maintenance Voice Tools CV Host License
1996	600123	Cascade Technologies	\$ 9,828.32	VT Application Generator
1995	502572	Castele Auto Fire Protection	\$ 8,499.00	Converted Sprinkler System in Computer Room to Pre-action
1993	101097	Central Freight Lines	\$ 87,588.62	Move Furniture
1994	409999	Central Freight Lines	\$ 19,068.07	Move Furniture
1995	502094	Central Freight Lines	\$ 21,631.90	Move Furniture
1993	200171	Central Texas Communications	\$ 53,960.46	Cable Pulling Service
1994	200171	Central Texas Communications	\$ 277,654.73	Renewal of Cable Pulling Services
1994	400026	Central Transportation Systems	\$ 132,179.28	Move Furniture and Equipment at State Office
1995	400026	Central Transportation Systems	\$ 245,686.68	Move Furniture and Equipment at State Office
1996	400026	Central Transportation Systems	\$ 115,260.28	Move Furniture and Equipment at State Office
1994	101097	Central Transportation Systems	\$ 59,694.35	Move Furniture and Equipment at State Office
1996	504186	Chubb Security Systems Inc.	\$ 6,065.25	Security Camera
1993	205231	Cleanco	\$ 5,445.00	Renewal of Janitorial Service for FY 93
1994	400150	Cleanco	\$ 5,445.00	Renewal of Janitorial Service
1995	400150	Cleanco	\$ 5,445.00	Janitorial Service
1993	300160	Computer Associates	\$ 88,311.60	Software Maintenance
1994	401674	Computer Associates	\$ 73,326.00	Maintenance on CA-1 Tape Management System
1995	401674	Computer Associates	\$ 73,326.00	Maintenance on CA-1 Tape Management CA-11 Job Management
1995	500608	Computer Associates	\$ 23,794.80	Maintenance on Librarian Netman OLCF CA-ISS

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1996	600678	Computer Associates	\$ 167,905.14	One Eleven ISS Jars Netman Tops Secret JCL check Apdoc Roscoe
1996	600685	Computer Associates	\$ 48,600.00	Astex Resource Management SWR Jobtrac Netspy Multi-Image Mngr System
1994	103130	Computer Support Inc.	\$ 10,293.00	Maintenance on UPS Power Conditioning System
1995	103130	Computer Support Inc.	\$ 10,808.00	UPS Power Conditioning System
1993	300164	Computer Support Inc.	\$ 9,108.00	Liebert Uninterruptable Power Supply
1995	300164	Computer Support Inc.	\$ 9,108.00	Liebert DPA Battery Cabinet Datawave Power Distribution Unit
1995	501501	Computer Support Inc.	\$ 59,635.00	Life Full Service Maintenance on Batteries
1996	501501	Computer Support Inc.	\$ 14,089.00	Life Full Service Maintenance on Batteries
1996	600412	Computer Support Inc.	\$ 11,793.00	Maintenance on UPS Power Conditioner Systems
1993	301153	Congressional Quarterly	\$ 13,000.00	Congressional Quarterly Washington Alert
1994	400515	Congressional Quarterly	\$ 13,500.00	Core Service Text of Bills Committees Telecommunications
1995	501736	Congressional Quarterly	\$ 8,106.70	Core TOB BDIG Comm TELN
1996	501736	Congressional Quarterly	\$ 13,224.30	On-line Access to Core TOB BDIG
1993	205249	Cummins Allison Corp.	\$ 74,525.68	Extension of Current One Year Payment Coupon Contract
1994	205249	Cummins Allison Corp.	\$ 95,143.20	Extension of Contract for Production of Payment Coupons
1995	205249	Cummins Allison Corp.	\$ 13,402.48	Extension of Current One Year Payment Coupon Contract
1994	400747	Cummins Allison Corp.	\$ 21,007.20	Outgoing Mail Services
1995	400747	Cummins Allison Corp.	\$ 227,082.87	Outgoing Mail Services, Forms, Printing, Sorting, Stuffing, and Mailing
1996	400747	Cummins Allison Corp.	\$ 75,674.84	Outgoing Mail Services
1994	401080	CW Systems	\$ 77,779.15	Contract Programers for New System Development Applications

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1994	402480	CW Systems	\$ 34,650.00	Temporary Programming Roy Lee Brown
1994	402480	CW Systems	\$ 34,650.00	Programming Services for Programmer Analyst
1995	402480	CW Systems	\$ 102,352.50	Programming Services
1995	503118	CW Systems	\$ 23,424.00	Contract Services of Programmer Analysts
1996	503118	CW Systems	\$ 43,104.00	Contract Services of Programmer Analyst
1994	401795	Dallas Computer Service	\$ 11,575.00	Dallas Computer Service
1995	401795	Dallas Computer Service	\$ 6,828.75	Dallas Computer Service
1995	500216	Dallas Computer Service	\$ 22,726.04	On-Line Usage of Locate System
1996	500216	Dallas Computer Service	\$ 6,625.71	On-Line Computer Service for Motor Vehicle Records
1996	600084	Dallas Computer Service	\$ 15,261.83	On-Line Locate Service
1993	300225	Dataplex	\$ 30,401.27	Microfiche Services
1994	300225	Dataplex	\$ 7,503.54	Microfiche Services
1994	400221	Dataplex	\$ 25,865.14	Microfiche Services
1995	400221	Dataplex	\$ 5,897.16	Microfiche Services
1995	500384	Dataplex	\$ 21,724.85	Microfiche Services
1996	500384	Dataplex	\$ 5,874.11	Microfiche Services
1996	600228	Dataplex	\$ 14,786.44	Microfiche Services
1993	200051	Decision Data Service	\$ 5,635.40	Informer Terminals Models 207 102
1994	200051	Decision Data Service	\$ 5,804.40	Informer Terminals Models 207 102
1994	400195	Decision Data Service	\$ 48,553.08	Statewide Maintenance on PC Equipment
1995	501921	DIR	\$ 31,039.00	Information Services
1995	500545	DIR/SAS Institute	\$ 7,145.00	SAS Connect Version 6 08
1995	500472	DIR/BANCTEC	\$ 101,520.00	Grid 386 386ISX Toshiba 1600 Zenith 286 PCS
1994	302788	Express Services	\$ 26,312.54	Estimated Temporary Service for FY 94
1994	302788	Express Services	\$ 26,312.54	Estimated Temporary Service for FY 94

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1996	601204	Geologics Corporation	\$ 12,782.00	Temporary Technical Services Blanket Order for FY 96
1995	500235	H&W Computer	\$ 5,046.39	Annual Maintenance on SYSM/MVS SYSM/MHS SYSM/LAN
1993	200065	Hitachi Data Systems	\$ 18,181.00	7380 DASD and 7880 control units
1994	200065	Hitachi Data Systems	\$ 29,130.24	Maintenance on HDS 7990 7980-3 7390-AF8 7390-BF8 7380-BE4
1994	202170	Hitachi Data Systems	\$ 174,974.58	Maintenance on HDS 7990 7980-3 7390-AF8 7390-BF8 7380-BE4
1995	202170	Hitachi Data Systems	\$ 15,906.78	Maintenance on HDS
1993	202806	Hitachi Data Systems	\$ 240,000.00	Maintenance on HDS 7990 7980-3 7390-AF8 7390-BF8 7380-BE4
1993	300155	Hitachi Data Systems	\$ 41,302.72	HDS TAPE Drives
1994	300155	Hitachi Data Systems	\$ 32,882.96	Maintenance on HDS
1994	400544	Hitachi Data Systems	\$ 24,328.18	Maintenance on HDS 7990 7980-3 7390-AF8 7390-BF8 7380-BE4
1995	500537	Hitachi Data Systems	\$ 182,880.65	EX/100 CPU and Peripheral Mainframe Equipment
1996	500893	Hitachi Data Systems	\$ 271,000.00	11 35 GB DASC 3 Years on Site Maintenance
1996	503259	Hitachi Data Systems	\$ 5,742.00	11 35 GB DASC 3 Years on Site Maintenance
1996	600617	Hitachi Data Systems	\$ 26,046.65	Cache Storage 64MB Cache Disk Array Controllers Memory Tape
1993	903206	Hitachi Data Systems	\$ 82,958.46	HDS EX/70
1994	903206	Hitachi Data Systems	\$ 9,222.48	HDS EX/70
1996	601207	Huffco Services Company	\$ 9,476.00	Upgrade Security
1993	003664	IBM Corporation	\$ 24,320.00	IBM 3174 Control Units 7861 Modems 7866 Power Supply
1993	100195	IBM Corporation	\$ 10,968.00	IBM 3380/AK Storage Unit
1993	200060	IBM Corporation	\$ 320,626.93	IBM Network Operating System Rental
1993	200062	IBM Corporation	\$ 38,464.00	Modems 7861 and 3174

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1993	300151	IBM Corporation	\$ 6,910.30	IBM Info Net Conn
1993	300163	IBM Corporation	\$ 35,679.00	IBM Communications Equipment
1994	400538	IBM Corporation	\$ 94,175.40	Annual Maintenance on IBM 4019 and 4029 Laser Printers
1994	400539	IBM Corporation	\$ 84,777.84	Maintenance on IBM Equipment
1994	400611	IBM Corporation	\$ 371,547.33	IBM Network Operating System and Related Software Rental
1995	500406	IBM Corporation	\$ 601,563.84	Annual Renewal of IBM Mainframe Operating System
1995	500590	IBM Corporation	\$ 61,621.74	IBM Mainframe Hardware
1996	600620	IBM Corporation	\$ 316,839.00	Mainframe Software Lease Renewal
1996	600726	IBM Corporation	\$ 69,615.00	Third Party Maintenance
1996	600756	IBM Corporation	\$ 29,019.34	Maintenance on IBM Equipment
1993	100834	IDEA-SERVCOM	\$ 7,692.68	ITT 1778 Terminals
1993	102588	Job Find Inc.	\$ 39,899.15	Temporary Employees for New Systems Conversion
1994	102588	Job Find Inc.	\$ 9,768.03	Renewal of Contract
1993	203414	Kelly Temporary Services	\$ 226,303.77	Temporary Services
1994	203414	Kelly Temporary Services	\$ 260,294.62	Temporary Services
1995	203414	Kelly Temporary Services	\$ 16,423.50	Temporary Services
1993	303148	Kelly Temporary Services	\$ 8,578.39	Temporary Service
1994	303148	Kelly Temporary Services	\$ 20,129.82	Temporary Service
1994	303165	Kelly Temporary Services	\$ 33,338.17	Temporary Service
1994	303175	Kelly Temporary Services	\$ 17,823.88	Temporary Service
1995	500124	Kelly Temporary Services	\$ 157,233.11	Temporaries for FY 95 for All Units in 400
1996	500124	Kelly Temporary Services	\$ 31,578.31	Temporary Service
1995	500189	Kelly Temporary Services	\$ 55,573.29	Temporary Service for FY 95
1996	500189	Kelly Temporary Services	\$ 20,510.98	Temporary Service

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1995	500191	Kelly Temporary Services	\$ 64,923.39	Temporary Service for FY 95
1996	500191	Kelly Temporary Services	\$ 35,833.23	Clerk/Typist Temporary
1995	500193	Kelly Temporary Services	\$ 79,124.09	Temporary Service September and October/Conversion
1996	500193	Kelly Temporary Services	\$ 41,401.02	Temporary Service
1993	202719	Legent	\$ 65,995.00	Maintenance on Multi-Image Manager Mainframe Software
1994	202719	Legent	\$ 11,730.00	Maintenance on Multi-Image Manager Mainframe Software
1993	202720	Legent	\$ 36,635.00	Maintenance on Netspy Mainframe Software
1994	202720	Legent	\$ 6,310.00	Maintenance on Netspy Mainframe Software
1995	202720	Legent	\$ 6,941.00	Annual Maintenance on Netserv
1993	202964	Legent	\$ 35,025.00	Annual Maintenance on Astex Resource Management
1994	202964	Legent	\$ 6,480.00	Maintenance on Astex Resource Management Software
1995	202964	Legent	\$ 7,128.00	Annual Maintenance on Astex Resource Management
1995	304610	Legent	\$ 12,540.00	Annual Maintenance on Jobtrac
1995	500391	Legent	\$ 12,903.00	Annual Maintenance on Multi-Image Manager System
1995	501820	Levi Ray & Shoupe	\$ 8,000.00	VTAM Printer Support
1994	300164	Liebert	\$ 9,108.00	Maintenance on Liebert DPA 150C UPS PRC1285 Datawave Power
1994	302821	Lockheed IMS	\$ 319,492.21	Collection Agencies to Perform Collection Activities
1995	302821	Lockheed IMS	\$ 901,648.09	CSE Collection Contract
1996	302821	Lockheed IMS	\$ 122,145.28	CSE Collection Contract
1995	302871	Lockheed IMS	\$ 74,368.01	Collection Agencies to Perform Collection Activities

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1993	205230	Manpower Temporary Services	\$ 104,528.96	22 Temporary Clerks for 11 Field Offices
1994	205230	Manpower Temporary Services	\$ 297,718.24	Temporary Service
1995	205230	Manpower Temporary Services	\$ 10,992.00	Temporary Service
1993	301827	Manpower Temporary Services	\$ 16,854.87	Service Agreement for Temporary Employees
1994	301827	Manpower Temporary Services	\$ 28,788.76	Temporary Service
1993	302789	Manpower Temporary Services	\$ 12,997.79	Estimated Temporary Service for FY 93
1994	302789	Manpower Temporary Services	\$ 35,285.70	Estimated Temporary Service for FY 94
1994	303179	Manpower Temporary Services	\$ 102,330.18	Temporary Service
1995	303179	Manpower Temporary Services	\$ 35,592.24	Temporary Service September and October/Conversion
1993	303214	Manpower Temporary Services	\$ 7,079.45	Temporary Employee Blanket Contract
1994	303214	Manpower Temporary Services	\$ 30,113.19	Temporary Services for Conversion
1994	303913	Manpower Temporary Services	\$ 62,457.23	Temporary Service
1993	300095	Mead Data Central	\$ 30,934.04	On-Line Legal Service for August
1994	300095	Mead Data Central	\$ 50,805.71	Lexis Contract
1995	300095	Mead Data Central	\$ 18,477.39	Lexis Contract
1994	003731	Memorex Telex	\$ 5,760.00	Annual Maintenance on Memorex Telex 1191 Terminals
1993	100193	Memorex Telex	\$ 20,468.16	Memorex Telex 4303 Printer 3281 Tape Drive 3288 Tape Drive
1993	201802	Memorex Telex	\$ 147,982.48	1387 Printers

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1994	201802	Memorex Telex	\$ 115,751.04	Maintenance on 1191 1192 Tc078 Tc179 Tc178 Tc080 Terminals
1994	400197	Memorex Telex	\$ 20,552.16	Annual Maintenance on Memorex Telex Printer Tape
1995	500609	Memorex Telex	\$ 6,755.86	4303 Printer 3281 Tape Center 3288 Tape Drive
1995	500610	Memorex Telex	\$ 16,959.00	4303 Printer 3281 Tape Center 3288 Tape Drive
1996	600730	Memorex Telex	\$ 25,623.00	Mainframe Hardware Maintenance
1994	304553	Net Serv Inc.	\$ 55,176.00	Temporary Technical Services
1993	302220	NETCON	\$ 21,792.00	Temporary Staff for LAN Installation
1993	301016	OCSE	\$ 161,999.60	Advance Payment of Federal Parent Locator Service Fee
1993	300875	Olsten Temporaries	\$ 28,440.84	Blanket to Set up Temporary Service for FY 93
1994	300875	Olsten Temporaries	\$ 86,238.36	Temporary Services for Conversion
1995	300875	Olsten Temporaries	\$ 9,955.00	Temporary Service for September and October/Conversion
1993	302544	Olsten Temporaries	\$ 5,544.30	Temporary Service
1994	302544	Olsten Temporaries	\$ 33,157.30	Temporary Service
1995	302544	Olsten Temporaries	\$ 13,365.84	Temporary Service September and October/Conversion
1993	303915	Olsten Temporaries	\$ 5,758.33	Temporary Service Agreement for Remainder of FY 93
1994	303915	Olsten Temporaries	\$ 50,734.96	Temporary Service
1995	303915	Olsten Temporaries	\$ 7,201.28	Temporary Service
1994	304553	Olsten Temporaries	\$ 189,823.14	Temporary Technical Services
1995	304553	Olsten Temporaries	\$ 54,388.15	Temporary Services
1996	304553	Olsten Temporaries	\$ 6,864.00	Temporary Services
1995	500125	Olsten Temporaries	\$ 65,080.06	Temporary Services
1996	500125	Olsten Temporaries	\$ 16,631.41	Temporary Service for FY 96
1996	600679	Olsten Temporaries	\$ 16,443.38	Technical Services

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1993	203414	Olsten Temporary Services	\$ 15,155.61	Temporary Services
1994	203414	Olsten Temporary Services	\$ 70,672.18	Temporary Services
1996	600112	Programart	\$ 16,127.49	Annual Maintenance Renewal for Strobe/Base
1994	401243	RFD & Associates	\$ 28,384.65	Natural Programmer Services
1994	401700	RFD & Associates	\$ 156,577.50	Programmer Services, Jackie Alexander
1995	401700	RFD & Associates	\$ 48,352.50	Programmer Services
1994	401873	RFD & Associates	\$ 203,675.35	Programmer Services
1994	401876	RFD & Associates	\$ 23,872.50	Programmer Services
1995	401873	RFD & Associates Inc.	\$ 12,870.00	Programmer Services
1995	500631	RFD & Associates Inc.	\$ 9,828.00	Programmer Services
1995	503122	RFD & Associates Inc.	\$ 44,976.00	Contract Services of Programmer Analysts
1996	503122	RFD & Associates Inc.	\$ 43,641.00	Contract Services for Programmer Analysts
1996	601209	RFD & Associates Inc.	\$ 23,415.00	Programmer Analysts
1996	603122	RFD & Associates Inc.	\$ 10,250.00	Contract Services for Programmer Analysts
1993	102951	RFD Company	\$ 38,569.00	Systems Programming and Support
1994	102951	RFD Company	\$ 11,758.50	Programming Services
1993	109125	RFD Company	\$ 5,377.50	Programming Services
1994	304447	RFD Company	\$ 343,056.00	Natural 2 Programmer Services
1995	401873	RFD Company	\$ 192,418.75	Contract Services of Programmer Analysts
1995	500631	RFD Company	\$ 11,182.50	Programmer Services
1996	503122	RFD Company	\$ 39,925.00	Contract Services of Programmer Analysts
1994	200968	RMS Communications	\$ 16,475.63	Time and Materials Contract FY 94
1994	400174	Sabredata	\$ 9,270.00	Annual Maintenance on Printers and Terminals
1994	401111	Sabredata	\$ 13,411.25	Cable Pulling Contract
1994	403696	Sabredata	\$ 5,332.50	Temporary Programming Services for Programmer Analyst

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1995	403696	Sabredata	\$ 17,595.00	Temporary Programming Services for Programmer Analyst
1995	502914	Sabredata	\$ 25,538.27	Cable Pulling Contract
1996	502914	Sabredata	\$ 26,941.85	Cable Pulling Contract
1996	600731	Sabredata	\$ 222,842.00	Third Party LAN/WAN Hardware Maintenance
1993	003521	Scan Optic Inc.	\$ 11,763.00	Remittance Processor and Microfilm Unit
1994	003521	Scan Optic Inc.	\$ 10,740.00	Maintenance on Remittance Processor and Microfilm Unit
1995	403492	Scan Optic Inc.	\$ 15,000.00	Programming Enhancements to Scan Optics Software
1995	500529	Scan Optic Inc.	\$ 20,757.00	Remittance Processor and Microfilm Unit Remit PRO 9100
1996	600709	Scan Optic Inc.	\$ 11,832.00	Remit PRO 9300 Remit PRO 9100
1995	502571	Schmidt Electric	\$ 11,504.00	Phase II Electrical Services for Data Center Relocation
1993	300071	Software AG	\$ 118,235.00	Adabas Software
1993	302850	Software AG	\$ 10,800.00	Technical Services for Natural Connection PC
1993	303458	Software AG	\$ 117,735.00	Adabas NDM Maintenance
1994	305126	Software AG	\$ 70,000.00	Natural Connection Site License
1994	400176	Software AG	\$ 22,740.00	Technical Services for Natural Connection PC
1994	400177	Software AG	\$ 103,111.00	Software Maintenance
1995	500385	Software AG	\$ 186,886.00	Maintenance on Adabas Adabas HPE Adabas TPF Natural
1996	600701	Software AG	\$ 363,509.00	Technical Support for Natural Connection for Windows OS2 Kit
1995	500482	Software Artistry	\$ 11,682.00	Expert Advisor Version 3 Expert Advisor Mainframe Interface
1996	600690	Software Artistry	\$ 11,682.00	Technical Support for Expert Advisor and MF Interface

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1993	203329	Software Engineering	\$ 17,490.00	Maintenance on TRMS CICS Interface VTAM Interface
1994	203329	Software Engineering	\$ 8,316.00	Maintenance on TRMS CICS Interface VTAM Interface
1995	500513	Software Engineering	\$ 9,487.50	Maintenance on TRMS Report Distribution CICS Interface VTAM
1996	600614	Software Engineering	\$ 51,682.50	TRMS-Report CICS Interface for TRMS VTAM Interface for FOR TRMS
1994	304465	SWB Teleco	\$ 33,668.09	Time and Material Maintenance Contract (ENC Funds)
1995	304465	SWB Teleco	\$ 46,590.44	Time and Material Maintenance Contract (ENC Funds)
1996	600122	Sybase	\$ 6,000.00	SQL Server Open Client Development Toolkit SQL Server Manage
1993	205264	Temporaries Inc.	\$ 90,599.60	Service for Units 403 406 407 409 and 410
1994	205264	Temporaries Inc.	\$ 215,668.64	Temporary Service
1995	205264	Temporaries Inc.	\$ 32,629.25	Temporary Service for Conversion for September and October
1993	300171	Temporaries Inc.	\$ 75,704.82	Service Agreement for Temporary Services for Clerical Services
1994	300171	Temporaries Inc.	\$ 363,225.32	Payment for Temporaries
1995	300171	Temporaries Inc.	\$ 16,501.30	Temporary Service September and October/Conversion
1994	301116	Temporaries Plus	\$ 21,560.98	Temporary Service
1993	303219	Temporary Services Unlimited	\$ 9,353.28	Temporary Service
1994	303219	Temporary Services Unlimited	\$ 17,132.09	Temporary Service
1995	500194	TRC Staffing	\$ 51,782.24	Temporary Service
1996	500194	TRC Staffing	\$ 8,216.81	Temporary Service
1993	300073	Treehouse	\$ 19,425.00	Securiter

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1994	400178	Treehouse	\$ 15,225.00	Maintenance on Securiter Mainframe Software Trim MF Software
1996	600241	Treehouse	\$ 28,350.00	Annual Maintenance for Profiler Securiter Trim Auditre N20 and Autoload
1994	101097	United Van Lines Inc.	\$ 5,192.82	Move Furniture and Equipment at State Office
1994	400026	United Van Lines Inc.	\$ 24,154.80	Move Furniture and Equipment at State Office
1995	400026	United Van Lines Inc.	\$ 21,871.40	Move Furniture and Equipment at State Office
1994	402814	Victina Systems	\$ 30,960.00	Programming Analyst Services
1995	402814	Victina Systems	\$ 83,385.00	Programming Services
1995	503121	Victina Systems	\$ 20,880.00	Contract Services of Programmer Analysts
1996	503121	Victina Systems	\$ 51,881.25	Contract Services of Programmer Analysts
1993	205266	Volt Temporaries	\$ 77,938.60	Data Entry Clerks and File Clerks
1994	205266	Volt Temporaries	\$ 230,454.23	Temporary Service
1995	205266	Volt Temporaries	\$ 16,734.49	Temporary Service September and October/Conversion
1995	500206	Volt Temporaries	\$ 143,228.41	Temporary Service for FY 95
1996	500206	Volt Temporaries	\$ 30,247.42	Temporary Service for FY 95
1995	502606	Volt Temporaries	\$ 6,823.44	Data Entry Clerks and File Clerks
1993	300093	West Publishing	\$ 9,825.83	Renewal of Westlaw Legal Research System
1995	500232	West Publishing	\$ 7,852.12	Charges Not Covered by Westlaw for May
1995	500232	West Publishing	\$ 7,852.12	Charges Not Covered by Westlaw for May
1996	600381	West Publishing	\$ 14,714.54	Renewal of Westlaw Legal Research System
1995	400192	Western Temporaries	\$ 5,240.90	Temporary Position
1995	500192	Western Temporaries	\$ 120,230.92	Temporaries for Archiving CS Cases
1996	500192	Western Temporaries	\$ 57,873.03	Temporary Position
1995	500206	Western Temporaries	\$ 54,337.61	Temporary Service
1996	500206	Western Temporaries	\$ 143,296.97	Temporary Service

Appendix 5:

Total Expenditures for Each Competitively Bid Service Contract; Grouped by Vendor, concluded

(for period of September 1, 1992, through March 27, 1996)

FY	PO Number	Vendor	Total Expenditures	Purpose
1993	101923	Wiltel	\$ 25,672.25	Time and Materials Contract for Telephone
1994	101923	Wiltel	\$ 31,973.00	Time and Materials Contract for Telephone
1994	200960	Wiltel	\$ 5,625.00	Time and Materials Contract for Telephone Systems
1993	200973	Wiltel	\$ 45,612.85	Time and Materials Contract for Telephone System
1994	200973	Wiltel	\$ 13,800.00	Time and Materials Contract for Telephone System
1995	500620	Wiltel	\$ 13,011.84	Telecommunications Maintenance for State Office
1996	500620	Wiltel	\$ 10,991.03	Additional Funds for Time and Material Contract Maintenance
1993	300153	Xerox	\$ 69,301.03	Xerox 9790
1994	300153	Xerox	\$ 84,478.35	Annual Maintenance on Xerox
1995	300153	Xerox	\$ 16,477.92	Annual Maintenance on Xerox

Appendix 6:

Total Expenditures for Each Competitive Proposal Vendor¹¹

(for period of September 1, 1992, through April 1, 1996)

Vendor	Total Expenditures
Office of Court Administration	\$ 7,713,249.77
Genescreen Inc.	\$ 4,707,261.76
Andersen Consulting	\$ 4,575,305.88
University of North Texas Health Science Center	\$ 4,051,012.00
Genetic Design Inc.	\$ 2,623,012.99
Texas Employment Commission	\$ 656,824.78
Dallas County	\$ 405,570.07
Webb County District Clerk	\$ 210,054.29
Lubbock County District Clerk	\$ 198,532.42
Midland County District Clerk	\$ 143,576.01
General Services Commission	\$ 139,932.75
The University of Texas Printing Division	\$ 100,622.10
Ector County District Clerk	\$ 88,635.22
Hidalgo County District Clerk	\$ 82,591.08
Texas State Board of Regional Judges	\$ 50,042.49
Texas State Technical College	\$ 46,075.51
John C. Hawkins, Jr., Esq.	\$ 36,169.00
Texas Department of Criminal Justice	\$ 33,775.47
Department of Information Resources	\$ 30,000.00
Texas Natural Resource Conservation Committee	\$ 23,811.36
Burnet County	\$ 21,744.86
Neuces County District Clerk	\$ 18,350.31
Ray D. Anderson	\$ 11,875.00
Partnerwerks, Inc.	\$ 9,992.46
National Education Training Group	\$ 9,975.00
Cabletron, Inc.	\$ 9,184.11
Millie Becerra	\$ 7,000.00
Meristem Systems Corporation	\$ 7,000.00
Texas Department of Health	\$ 6,299.37
Aiki Works	\$ 5,219.58

¹¹Child Support Enforcement expenditures summarized by vendor and in descending order, for services obtained using the competitive proposal process.

Appendix 7:

Total Expenditures for Each Out-of-State Competitive Proposal Vendor¹²

(for period of September 1, 1992, through April 1, 1996)

Vendor	Total Expenditures
Genetic Design Inc.	\$ 2,623,012.99
National Education Training Group	\$ 9,975.00
Meristem Systems Corporation	\$ 7,000.00
Aiki Works	\$ 5,219.58

¹²Child Support Enforcement expenditures summarized by vendor and in descending order for services obtained out of state using the competitive proposal process.

Appendix 8:

Total Expenditures for Each Competitive Proposal Service Contract; Grouped by Vendor

(for period of September 1, 1992, through April 1, 1996)

FY	Contract	Vendor	Total Expenditures	Purpose
1994	94-1413	Aiki Works	\$ 5,219.58	Training Services
1995	94-3840	Andersen Consulting	\$ 2,402,941.12	Consulting Services for Design of New Child Support System
1993	92-0004	Andersen Consulting	\$ 1,085,955.00	Consulting Services for Design of New Child Support System
1994	94-3840	Andersen Consulting	\$ 468,654.00	Consulting Services for Design of New Child Support System
1996	94-3840	Andersen Consulting	\$ 617,755.76	Consulting Services for Design of New Child Support System
1995	94-5115	Burnet County	\$ 5,323.21	Reimburse County for Expenses of Child Support Investigator
1994	94-5115	Burnet County	\$ 16,421.65	Reimburse County for Expenses of Child Support Investigator
1995	95-1208	Cabletron, Inc.	\$ 9,184.11	Training for CDED Technicians for Maintenance of Network System
1993	92-0015	Dallas County	\$ 24,396.20	Automated Access to County Databases
1993	92-0530	Dallas County	\$ 40,545.34	Automated Access to County Databases
1994	93-0501	Dallas County	\$ 68,028.42	Automated Access to County Databases
1993	93-0501	Dallas County	\$ 260,550.71	Automated Access to County Databases
1994	94-5428	Dallas County	\$ 12,049.40	Maintenance for Computer Equipment Used to Access Database
1995	95-7808	Department of Information Resources	\$ 15,000.00	Access to State Contract for Data Processing Consulting Services
1996	96-3177	Department of Information Resources	\$ 15,000.00	Access to Consulting Services for Data Processing
1994	93-0515	Ector County District Clerk	\$ 5,735.11	Automated Monitoring of Child Support Cases
1996	96-2838	Ector County District Clerk	\$ 8,608.56	Automated Monitoring of Child Support Cases
1993	92-0510	Ector County District Clerk	\$ 7,024.57	Automated Monitoring of Child Support Cases
1993	93-0515	Ector County District Clerk	\$ 52,172.16	Automated Monitoring of Child Support Cases
1995	94-3528	Ector County District Clerk	\$ 15,094.82	Automated Monitoring of Child Support Cases
1995	95-6309	General Services Commission	\$ 6,404.00	Mail Processing
1996	96-2909	General Services Commission	\$ 133,528.75	Printing Services
1993	93-0402	Genescreen Inc.	\$ 1,247,842.16	Genetic Testing/Expert Witness Services for Paternity Cases
1996	94-3411	Genescreen Inc.	\$ 296,740.00	Genetic Testing/Expert Witness Services for Paternity Cases

Appendix 8:

Total Expenditures for Each Competitive Proposal Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through April 1, 1996)

FY	Contract	Vendor	Total Expenditures	Purpose
1994	93-0402	Genescreen Inc.	\$ 10,218.80	Genetic Testing/Expert Witness Services for Paternity Cases
1994	94-3411	Genescreen Inc.	\$ 1,148,800.00	Genetic Testing/Expert Witness Services for Paternity Cases
1995	94-3411	Genescreen Inc.	\$ 1,596,020.00	Genetic Testing/Expert Witness Services for Paternity Cases
1996	96-3551	Genescreen Inc.	\$ 407,640.80	Genetic Testing/Expert Witness Services for Paternity Cases
1995	94-3420	Genetic Design Inc.	\$ 774,916.00	Genetic Testing/Expert Witness Services for Paternity Cases
1994	93-0400	Genetic Design Inc.	\$ 58,423.00	Genetic Testing/Expert Witness Services for Paternity Cases
1996	94-3420	Genetic Design Inc.	\$ 308,377.16	Genetic Testing/Expert Witness Services for Paternity Cases
1996	94-3426	Genetic Design Inc.	\$ 55,821.00	Genetic Testing/Expert Witness Services for Paternity Cases
1993	93-0400	Genetic Design Inc.	\$ 787,709.07	Genetic Testing/Expert Witness Services for Paternity Cases
1996	96-3408	Genetic Design Inc.	\$ 124,763.76	Genetic Testing/Expert Witness Services for Paternity Cases
1994	94-3420	Genetic Design Inc.	\$ 513,003.00	Genetic Testing/Expert Witness Services for Paternity Cases
1994	94-3519	Hidalgo County District Clerk	\$ 28,654.46	Automated Monitoring of Child Support Cases
1993	92-0531	Hidalgo County District Clerk	\$ 23,823.54	Automated Monitoring of Child Support Cases
1995	94-3519	Hidalgo County District Clerk	\$ 23,362.36	Automated Monitoring of Child Support Cases
1996	94-3519	Hidalgo County District Clerk	\$ 6,750.72	Automated Monitoring of Child Support Cases
1993	93-0004	John C. Hawkins, Jr., Esq.	\$ 36,169.00	Outside Counsel for Child Support Cases - Bowie County
1996	96-2865	Lubbock County District Clerk	\$ 9,690.10	Automated Monitoring of Child Support Cases
1995	94-3475	Lubbock County District Clerk	\$ 22,545.98	Automated Monitoring of Child Support Cases
1994	94-3475	Lubbock County District Clerk	\$ 21,800.76	Automated Monitoring of Child Support Cases
1993	92-0500	Lubbock County District Clerk	\$ 21,265.43	Automated Monitoring of Child Support Cases
1994	93-0527	Lubbock County District Clerk	\$ 15,521.70	Automated Monitoring of Child Support Cases
1993	92-0525	Lubbock County District Clerk	\$ 9,967.79	Automated Monitoring of Child Support Cases

Appendix 8:

Total Expenditures for Each Competitive Proposal Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through April 1, 1996)

FY	Contract	Vendor	Total Expenditures	Purpose
1993	93-0527	Lubbock County District Clerk	\$ 97,740.66	Automated Monitoring of Child Support Cases
1993	93-0091	Meristem Systems Corporation	\$ 7,000.00	Training - New Systems Natural and Adabas Projects
1994	93-0519	Midland County District Clerk	\$ 9,649.06	Automated Monitoring of Child Support Cases
1995	94-3546	Midland County District Clerk	\$ 25,986.60	Automated Monitoring of Child Support Cases
1993	92-0521	Midland County District Clerk	\$ 24,233.00	Automated Monitoring of Child Support Cases
1996	96-2811	Midland County District Clerk	\$ 12,948.36	Automated Monitoring of Child Support Cases
1993	93-0519	Midland County District Clerk	\$ 44,322.99	Automated Monitoring of Child Support Cases
1994	94-3546	Midland County District Clerk	\$ 26,436.00	Automated Monitoring of Child Support Cases
1996	96-3686	Millie Becerra	\$ 7,000.00	Training Services and Documentation for Word Processing
1993	93-0115	National Education Training Group	\$ 9,975.00	Training - Natural Computer Programming Language
1994	94-3457	Neuces County District Clerk	\$ 18,350.31	Automated Monitoring of Child Support Cases
1995	94-1324	Office of Court Administration	\$ 3,103,556.04	Reimbursement for Operating Expenses of IV-D Masters Program
1996	96-3328	Office of Court Administration	\$ 1,899,854.73	Reimbursement for Operating Expenses of IV-D Masters Program
1994	94-1324	Office of Court Administration	\$ 2,709,839.00	Reimbursement for Operating Expenses of IV-D Masters Program
1993	93-0041	Partnerwerks, Inc.	\$ 9,992.46	Management Training in Strategy Planning and Teamwork
1993	93-0512	Ray D. Anderson	\$ 11,875.00	IV-D Masters Program
1996	96-2856	Texas Employment Commission	\$ 6,000.00	Electronic Access to Database for Parent Locate
1996	96-2936	Texas State Board of Regional Judges	\$ 9,743.45	Reimbursement for Administrative Expenses of IV-D Masters Program
1995	95-4605	Texas Department of Criminal Justice	\$ 8,873.22	Microfilming of Child Support Records
1995	95-7504	Texas Department of Health	\$ 6,299.37	Electronic Access to Birth Files
1993	N/A	Texas Department of Criminal Justice	\$ 18,054.75	Microfilming of Child Support Financial Records
1996	95-5800	Texas Employment Commission	\$ 50,251.59	Electronic Access to Database for Parent Locate
1995	95-1206	Texas State Board of Regional Judges	\$ 18,062.52	Reimburse for Costs of Administering Court Masters Program

Appendix 8:

Total Expenditures for Each Competitive Proposal Service Contract; Grouped by Vendor, continued

(for period of September 1, 1992, through April 1, 1996)

FY	Contract	Vendor	Total Expenditures	Purpose
1996	96-0081	Texas State Technical College	\$ 46,075.51	Reimbursement Cooperative Education Program for Data processing
1994	94-1315	Texas State Board of Regional Judges	\$ 22,236.52	Reimbursement for Administrative Expenses of IV-D Masters Program
1993	N/A	Texas Employment Commission	\$ 251,551.00	Electronic Access to Database for Locate of Parents
1995	95-5800	Texas Employment Commission	\$ 194,719.40	Access to Unemployment Information Databases
1994	94-5240	Texas Employment Commission	\$ 154,302.79	Access to Unemployment Information Databases
1994	94-4750	Texas Department of Criminal Justice	\$ 6,847.50	Microfilming of Child Support Financial Records
1996	96-2731	The University of Texas Printing Division	\$ 16,407.00	Printing Services
1995	95-9708	The University of Texas Printing Division	\$ 35,058.30	Printing Services
1994	94-1217	The University of Texas Printing Division	\$ 7,200.00	Printing Services
1995	94-1217	The University of Texas Printing Division	\$ 5,400.00	Printing Services
1995	94-3395	The University of Texas Printing Division	\$ 9,936.95	Printing Services
1994	94-3395	The University of Texas Printing Division	\$ 26,619.85	Printing Services
1996	96-2918	TNRCC	\$ 23,811.36	Printing Services
1994	93-0403	University of North Texas Health Science Center	\$ 68,685.00	Genetic Testing/Expert Witness Services for Paternity Cases
1994	93-0404	University of North Texas Health Science Center	\$ 73,460.00	Genetic Testing /Expert Witness Services for Paternity Cases
1995	94-3439	University of North Texas Health Science Center	\$ 1,336,057.00	Genetic Testing /Expert Witness Services for Paternity Cases
1995	93-0404	University of North Texas Health Science Center	\$ 146,920.00	Genetic Testing/Expert Witness Services for Paternity Cases
1996	94-3439	University of North Texas Health Science Center	\$ 160,007.00	Genetic Testing/Expert Witness Services for Paternity Cases
1993	93-0403	University of North Texas Health Science Center	\$ 1,051,094.00	Genetic Testing /Expert Witness Services for Paternity Cases
1996	96-3417	University of North Texas Health Science Center	\$ 378,960.00	Genetic Testing/Expert Witness Services for Paternity Cases
1994	94-3439	University of North Texas Health Science Center	\$ 835,829.00	Genetic Testing/Expert Witness Services for Paternity Cases
1993	93-0525	Webb County District Clerk	\$ 35,862.76	Automated Monitoring of Child Support Cases

Appendix 8:

**Total Expenditures for Each Competitive Proposal Service Contract;
Grouped by Vendor, concluded**

(for period of September 1, 1992, through April 1, 1996)

FY	Contract	Vendor	Total Expenditures	Purpose
1994	94-4394	Webb County District Clerk	\$ 23,417.88	Automated Monitoring of Child Support Cases
1993	92-0517	Webb County District Clerk	\$ 40,034.64	Automated Monitoring of Child Support Cases
1993	92-0522	Webb County District Clerk	\$ 22,811.80	Automated Monitoring of Child Support Cases
1996	96-2874	Webb County District Clerk	\$ 11,214.39	Automated Monitoring of Child Support Cases
1995	94-4394	Webb County District Clerk	\$ 19,872.49	Automated Monitoring of Child Support Cases
1994	93-0525	Webb County District Clerk	\$ 56,840.33	Automated Monitoring of Child

Appendix 9:

Payments to Andersen Consulting

Contractual Payment Grouping	Contract Amount	Approved Amounts Billed	Amount Paid	Amount Retained	Cost Savings	Outstanding Amount
Phase I work/software	\$ 972,091.00	\$ 972,091.00	\$ 745,981.00	\$ 226,110.00	\$ 0.00	\$ 0.00
Phoenix/Preference Licenses	\$ 142,600.00	\$ 142,600.00	\$ 142,600.00	\$ 0.00	\$ 0.00	\$ 0.00
Software Licenses Phase II-800	\$ 42,350.00	\$ 42,350.00	\$ 42,350.00	\$ 0.00	\$ 0.00	\$ 0.00
II-100,200,300	\$ 400,900.00	\$ 400,900.00	\$ 335,645.00	\$ 65,255.00	\$ 0.00	\$ 0.00
II-400,1100,1200,1600	\$ 624,872.00	\$ 624,872.00	\$ 468,654.00	\$ 156,218.00	\$ 0.00	\$ 0.00
II-500	\$ 774,670.00	\$ 774,670.00	\$ 611,989.00	\$ 162,681.00	\$ 0.00	\$ 0.00
II-600	\$ 2,124,028.00	\$ 2,124,028.00	\$ 1,677,982.12	\$ 446,045.88	\$ 0.00	\$ 0.00
II-000,700,800,900,1000,1900	\$ 2,897,883.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 75,150.00 *	\$2,822,733.00
Amendment 5 CCRs	\$ 917,215.00	\$ 818,219.00	\$ 646,393.27	\$ 171,825.73	\$ 98,996.00 **	\$ 0.00
Phase III	\$ 1,686,600.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$1,686,600.00
Phase IV	\$ 1,040,890.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$1,040,890.00
TOTALS	\$ 11,624,099.00	\$ 5,899,730.00	\$ 4,671,594.39	\$ 1,228,135.61	\$174,146.00	\$5,550,223.00
Percentage of Contract Total		50.75%	40.19%	10.57%	1.50%	47.75%

* - Savings due to the Andersen subcontract with Legent not costing the full amount of the contract.

** - Savings due to Andersen not doing work on some CCRs included in Amendment 5 to the contract.

Andersen's Incomplete Deliverables

Andersen Has Not Complied With the Contract on Phase II Deliverables

The OAG has rejected Andersen's demand for payment for segment II-900 Conversion Preparation because that segment has not been approved by the OAG Quality Assurance group. In fact, the Quality Assurance (QA) team has rejected the conversion deliverable several times due to the absence of required documentation. In addition, when complete, the OAG is not contractually obligated to pay for this segment until additional segments are completed and approved by the QA team.

Additional segments from Phase II that have not been approved by OAG Quality Assurance include:

- (1) II-000 Project Organization, Administration, and Support
- (2) II-700 System Testing
- (3) II-1000 Installation Planning
- (4) II-1900 Automated Management Reporting System

Andersen Has Not Produced Project Status Reports as Required

Andersen has not complied with all contract requirements for producing status reports. None of the monthly status reports for the TXCSES project issued by Andersen since the signing of Amendment 5 in September 1994 have met all of the requirements of that amendment. In addition, the status reports have not conveyed a clear picture of the status of the project or the estimates of the hours required to complete the project.

Currently, Andersen is using an automated project management tool to report the status of TXCSES. The tool uses the number of hours worked on the project to calculate the percentage of work completed. The SAO performed an audit of the hours logged on the project since September 9, 1996. The number of discrepancies found on this audit raises questions on the reliability of this status reporting method. Andersen has committed to make corrections to the system and will work with the SAO to review the system again after corrections.

The following excerpts from previous OAG reviews of TXCSES documents indicate that status reporting on this project has been an issue for several years.

Andersen’s Incomplete Deliverables, continued

Attorney General Reviews on Status Reports from Andersen Consulting

Date	Report	Issue
October 2, 1991	Attorney General Quality Assurance Review of Deliverable I-100	“Provide METHOD1 management reports to accommodate needs of project for indicating progress, delays, etc.”
November 4, 1991	Attorney General Quality Assurance Review of Deliverable I-200	“Reports (status) do not meet all needs of managers.”
April 1, 1992	Attorney General Quality Assurance Review of Deliverable I-600	“The MANAGE1 project status reports were not a useful management tool . . . they did not assist in understanding status and providing enough information for managers to make decisions.”
February 27, 1995	Memorandum from Victor Mantilla to Don Bailey	“It will be difficult to determine if the project is on time or late using only MANAGE1 since no task scheduling or task interdependencies were loaded into MANAGE1. This lack of information could complicate management’s ability to identify problems early and make timely decisions for needed corrective actions.”

Prior Audit Findings Regarding Status Reporting

After reviewing the contract, we reviewed audit work that had been performed by the Internal Audit Division of the Office of the Attorney General and the Quality Assurance Team (a team made up of representatives from the State Auditor’s Office, the Legislative Budget Board, and the Department of Information Resources). The following findings related to status reporting were noted:

- In Internal Audit Report IA94-16 dated August 19, 1994, Observation 1 states “Reports on the progress of the financial component’s development vary in consistency.”
- In Internal Audit Report IA94-15 dated October 3, 1994, Finding 2 states “Based upon review of status reports, it appears that earlier estimates to complete were significantly underestimated for certain Phase II segments. Nine of the fourteen segments reflected lower percentages of work completed as of June 24, 1994, than had been reported as of February 28, 1994.”
- In Internal Audit Report IA94-15 dated October 3, 1994, Finding 3 states “Status reports distributed by NSD [New System Development] do not

Andersen's Incomplete Deliverables, continued

comprehensively portray overall project status. Users relying upon these reports may make decisions based upon incomplete information.”

- In a report dated October 11, 1994, issued by the Quality Assurance Team, a statement is made that:

Management is not provided clear project status information through the monthly status report. To be useful, the report should be enhanced with the following information:

- The narrative portion should include a discussion of budget and schedule status information for each active segment and overall system quality.
- The project status Gantt chart accompanying the report should be enhanced with a comparison of budget to actual plus estimate to complete data.
- Also, changes to planned schedules and budgets should be clearly denoted on the chart.

Andersen Did Not Deliver Quality Assurance Reports

According to records in the New System Development Library, Andersen has produced only checklists and a few memos for quality assurance reviews. Checklists do not meet contract requirements for quality assurance reviews. Only the Phase I QA review was turned in with a QA report from Andersen.

In September 1993, the OAG's Internal Auditor reported Andersen did not provide QA reviews for each segment as specified in the contract. The Internal Auditor reported again in October 1994 that Andersen should meet requirements for conducting quality assurance reviews. The Internal Auditor recommended that quality assurance reviews by Andersen be completed and documented prior to payments on deliverables.

OAG Quality Assurance reported in November 1991 that Andersen had not performed all quality assurance reviews for segments in Phase I. Andersen produced a quality assurance review dated October 1992, but this report was only for the completion of Phase I—no reports for interim reviews were submitted.

Andersen's Incomplete Deliverables, concluded

The QA reports are a contract compliance issue. The OAG has accepted products that did not meet the definition in the contract. Therefore, each segment accepted by the OAG that required a quality assurance review is an incomplete deliverable. In addition, without thorough quality assurance reviews, the project lacks documentation that should provide assurance that the project progressed as required.

As defined in the contract,

Quality Assurance (QA) will be defined as a monitoring activity of the TXCSES design, development and implementation to ensure that deliverables meet Contract, automation, program and/or certification requirements and objectives. The Consultant and the Attorney General will both conduct QA reviews independent of each other upon completion of each work segment and accompanying products in Phases I through III and before the Federal certification review in Phase IV.

Andersen Was Paid for an Incomplete Traceability Matrix

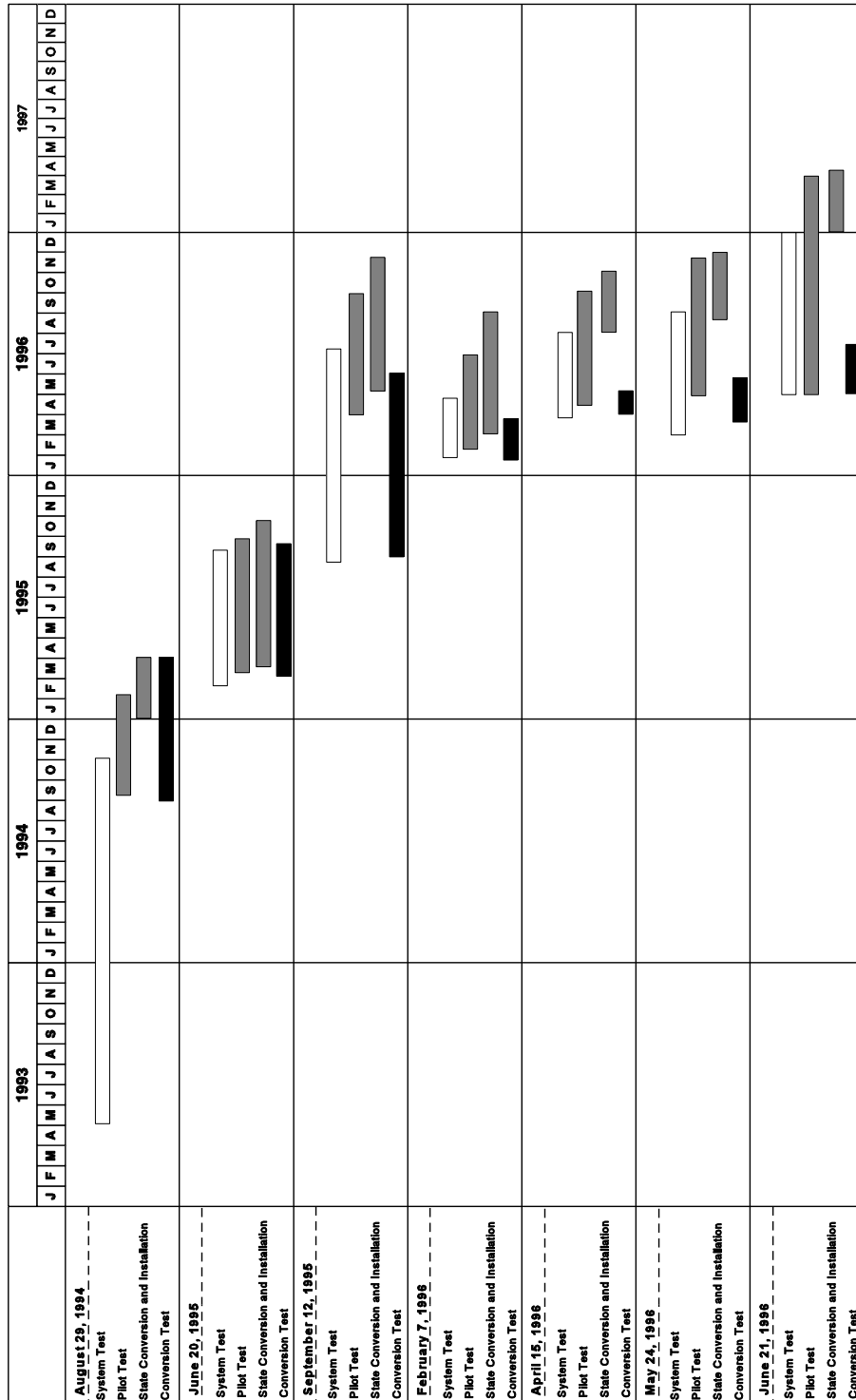
The contract states "Project staff will cross-reference Federal regulations, State requirements and user requirements in a Traceability Matrix." The traceability matrix is a tool to be used by project management to ensure that all requirements are addressed and documented. A comprehensive traceability matrix increases the assurance that the project will meet all requirements. The traceability matrix is a major product for which Andersen has already been paid.

OAG Quality Assurance reported in February, March, and April 1992 that the method for documenting and tracing design requirements was not complete. In February 1994, OAG QA requested information from Andersen on when and how often to expect an update to the traceability matrix. In May 1994, the OAG began tracing the federal regulations for this project. The contract requirement for tracing state and user requirements was not met. As a result, the OAG has hired an additional contractor, Science Applications International Corporation (SAIC), to produce a detailed list of all project requirements.

OAG Management Changes for TXCSES

Month	Executive	Project Manager Supervisor	Project Manager
September 1, 1991	Stan Wedel	Larry Crawford	Gloria Hunt
October 1, 1991	Stan Wedel	Larry Crawford	Gloria Hunt
November 1, 1991	Stan Wedel	Larry Crawford	Gloria Hunt
December 1, 1991	Stan Wedel	Larry Crawford	Gloria Hunt
January 1, 1992	Stan Wedel	Larry Crawford	Gloria Hunt
February 1, 1992	Stan Wedel	Larry Crawford	Gloria Hunt
March 1, 1992	Stan Wedel	Larry Crawford	Gloria Hunt
April 1, 1992	Stan Wedel	Larry Crawford	Gloria Hunt
May 1, 1992	Stan Wedel	Larry Crawford	Gloria Hunt
June 1, 1992	Stan Wedel	Larry Crawford	Gloria Hunt
July 1, 1992	Stan Wedel	Larry Crawford	Gloria Hunt
August 1, 1992	Stan Wedel	Larry Crawford	Gloria Hunt
September 1, 1992	Stan Wedel	Larry Crawford	Gloria Hunt
October 1, 1992	Stan Wedel	Larry Crawford	Gloria Hunt
November 1, 1992	Stan Wedel	Larry Crawford	Gloria Hunt
December 1, 1992	Stan Wedel	Larry Crawford	Gloria Hunt
January 1, 1993	Stan Wedel	Larry Crawford	Gloria Hunt
February 1, 1993	Stan Wedel	Larry Crawford	Gloria Hunt
March 1, 1993	Stan Wedel	Larry Crawford	Gloria Hunt
April 1, 1993	Stan Wedel	Larry Crawford	Gloria Hunt
May 1, 1993	Stan Wedel	Larry Crawford	Gloria Hunt
June 1, 1993	Stan Wedel	Larry Crawford	Gloria Hunt
July 1, 1993	Stan Wedel	Larry Crawford	Gloria Hunt
August 1, 1993	Stan Wedel	Larry Crawford	Gloria Hunt
September 1, 1993	Stan Wedel	Larry Crawford	Gloria Hunt
October 1, 1993	Stan Wedel	Larry Crawford	Gloria Hunt
November 1, 1993	Stan Wedel	Larry Crawford	Gloria Hunt
December 1, 1993	Stan Wedel	Larry Crawford	Patricia Gilbert
January 1, 1994	Stan Wedel	Larry Crawford	Patricia Gilbert
February 1, 1994	Gay Erwin	Larry Crawford	Patricia Gilbert
March 1, 1994	Gay Erwin	Larry Crawford	Patricia Gilbert
April 1, 1994	Gay Erwin	Larry Crawford	Patricia Gilbert
May 1, 1994	Gay Erwin	Larry Crawford	Patricia Gilbert
June 1, 1994	Gay Erwin	Larry Crawford	Patricia Gilbert
July 1, 1994	Gay Erwin	Larry Crawford	Patricia Gilbert
August 1, 1994	Gay Erwin	Larry Crawford	Patricia Gilbert
September 1, 1994	Gay Erwin	Larry Crawford	Patricia Gilbert
October 1, 1994	Gay Erwin	Larry Crawford	Patricia Gilbert
November 1, 1994	Gay Erwin	Larry Crawford	Patricia Gilbert
December 1, 1994	Gay Erwin	Larry Crawford	Patricia Gilbert
January 1, 1995	Gay Erwin	Larry Crawford	Patricia Gilbert
February 1, 1995	Gay Erwin	Larry Crawford	Patricia Gilbert
March 1, 1995	Gay Erwin	Charlie Childress	Patricia Gilbert
April 1, 1995	Gay Erwin	Charlie Childress	Don Bailey
May 1, 1995	Gay Erwin	Charlie Childress	Don Bailey
June 1, 1995	Gay Erwin	Charlie Childress	Don Bailey
July 1, 1995	Gay Erwin	Charlie Childress	Don Bailey
August 1, 1995	Gay Erwin	Charlie Childress	Don Bailey
September 1, 1995	Gay Erwin	Charlie Childress	Don Bailey
October 1, 1995	Gay Erwin	Charlie Childress	Don Bailey
November 1, 1995	Gay Erwin	Charlie Childress	Don Bailey
December 1, 1995	Gay Erwin	Charlie Childress	Don Bailey
January 1, 1996	Gay Erwin	Charlie Childress	Don Bailey
February 1, 1996	Gay Erwin	Charlie Childress	Don Bailey
March 1, 1996	Gay Erwin	Charlie Childress	Don Bailey
April 1, 1996	Gay Erwin	Charlie Childress	Don Bailey
May 1, 1996	Gay Erwin	Charlie Childress	Don Bailey
June 1, 1996	Gay Erwin	David Vela	Don Bailey
July 1, 1996	Gay Erwin	David Vela	Don Bailey
August 1, 1996	Gay Erwin	David Vela	Don Bailey
September 1, 1996	Gay Erwin	David Vela	Don Bailey
October 1, 1996	Gay Erwin	David Vela	Don Bailey
November 1, 1996	Gay Erwin	David Vela	Don Bailey
December 1, 1996	Gay Erwin	David Vela	Don Bailey
January 1, 1997	Gay Erwin	David Vela	Don Bailey

Project Schedules Proposed by Andersen (as of August 19, 1996)



OAG and Andersen Responsibilities

Below are excerpts from the contract of the responsibilities specified in the Statement of Work section, a part of Amendment 5 to the *Contract Between the Office of the Attorney General and Andersen Consulting*.

A.2. Summary of Responsibility

The Consultant will be responsible for managing and implementing all tasks and producing all products identified in the Consultant Detailed Work Plan (Section C of this Statement of Work). The Consultant will provide its Foundation-Method 1 software system, including the development methodology, and appropriate and sufficient related training in its use, necessary to support Project planning, tracking, management, changes and documentation.

Additional responsibilities of the Consultant include:

- assisting in identifying required resources, including personnel and equipment, and the cost of such resources;
- seeking approval for any revisions to the Consultant Detailed Work Plan (Section C of this Statement of Work) for each Phase and associated work segments and products;
- maintaining updates to the Consultant Detailed Work Plan (Section C of this Statement of Work) including:
 - milestones and related work segments within each Phase,
 - tasks within each work segment necessary to produce products and deliverables,
 - begin and end dates for each Phase and work segment within each Phase;
- cooperating with Federal and/or State representatives performing reviews throughout all Phases of the Project, including system certification;
- submitting all oral and written reports as required by the Attorney General in a manner and format and within time frames prescribed by the Attorney General, whether or not identified in this Statement of Work or as required at some unspecified point in time during the tenure of this Contract;
- complying with all applicable Federal and State laws, statutes and regulations;

OAG and Andersen Responsibilities, continued

- surrendering all applicable Project working papers, materials and management documents to the Attorney General upon request; and
- providing administrative support, office supplies, office equipment and compatible computer equipment (hardware/software) for its Project staff.

A.9. Attorney General Staff

The Attorney General will assign full-time staff to the Project as required. The staff will include:

- **Systems Analysts**

Systems Analysts will communicate detailed Project and system requirements to the Consultant and review and recommend modifications and enhancements to both transfer systems.

- **Technical Analysts**

Technical Analysts will participate in the technical development of LSD and assist the Consultant in writing detailed specifications for PSD. Technical Analysts will participate in technical activities such as analyzing requirements, programming, testing, conversion, installation and post-installation activities.

Attorney General Project staff will take lead responsibility for the following tasks:

- contract administration;
- Project monitoring, including independent evaluations of quality assurance and control practices;
- Federal planning and funding requests;
- Federal and State reporting;
- interagency and intra-agency coordination and communication;
- requirements analysis;
- User Resource Group (URG) participation;

OAG and Andersen Responsibilities, continued

- programming quality control;
- automated mail services planning, design and acquisition;
- manual data acquisition and purification;
- voice response development and installation; and
- system documents preparation and maintenance.

The Attorney General will also make users, analysts and programmers available to support the following TXCSES tasks and activities to be performed under the overall direction and responsibility of Consultant:

- Project planning;
- LSD and PSD development;
- programming, coding and unit testing;
- System Test planning and implementation;
- conversion design, programming and testing;
- user procedures and training;
- requirements definition for advanced technology;
- installation planning;
- pilot planning and testing;
- performance tuning;
- statewide installation;
- error correction;
- system certification; and
- quality assurance and control.

The Consultant will be accountable for managing and delivering all tasks using Attorney General Project, CSEP or data services staff and resources in accordance with the Consultant Detailed Work Plan (Section C of this Statement of Work) and the deliverables commitment of this Contract. Assignment of Attorney General staff to TXCSES design, development, testing and implementation activities in no way releases the Consultant from its responsibility for completing any work or delivering any products set forth in this Contract, its Statement of Work or the Consultant Detailed Work Plan (Section C of this Statement of Work).

OAG and Andersen Responsibilities, concluded

A.10. Consultant Staff

The Consultant will assign staff with relevant experience in both transfer system and Attorney General technical environments. Consultant staff will have relevant and extensive knowledge of the Texas ADABAS environment.

The Consultant will provide the services of its staff members identified in the “Minimum Hours for Key Staff” contained at Exhibit II of this Contract for work on TXCSES, on site, and for the minimum hours specified. If Consultant staff identified in Exhibit II have completed the minimum number of hours but segments and tasks to which they are assigned have not been completed, the Consultant will notify the Attorney General, in writing, at least thirty (30) working days before removing such staff, or of its intent to remove or reassign such staff, and provide the names of acceptable replacement staff. Removing or reassigning Consultant staff will be by mutual agreement with the Attorney General.

Objective, Scope, and Methodology

Objective

Our audit objective was to perform a special audit of the Office of the Attorney General (OAG) in response to a request by the Senate Interim Committee on Juvenile Justice and Child Support (Committee). The Committee questions primarily focused on the development and implementation of the Texas Child Support Enforcement System (TXCSES). We provided information on the following:

- Total costs of the TXCSES project
- Current status of the TXCSES project
- Time frame for federal certification and statewide implementation
- OAG's ability to assume responsibility for maintaining the TXCSES system
- The correlation between the Integrated Child Support System (ICSS) and TXCSES
- All outside contracts negotiated by the OAG for the Child Support Enforcement Program
- Payments to Andersen Consulting (Andersen) for services rendered on the TXCSES project
- Compliance with the State Employees Training Act
- Impact of turnover in OAG executives and TXCSES development leadership

Other issues were reviewed at as they arose during the course of this work.

Scope

The scope of this audit included the financial and budget transactions of OAG Child Support Enforcement from September 1, 1991, through June 26, 1996. Also included was Amendment 5 to the contract between OAG and Andersen for development and implementation of the new system.

Methodology

The methodology used on the audit consisted of collecting information, performing audit tests and procedures, analyzing the information, and evaluating the information against pre-determined criteria.

Information collected to accomplish our objective included the following:

- Interviews with OAG State Office management and staff
- Interviews with OAG Office of Child Support Enforcement management and staff
- Interviews with OAG employees assigned to TXCSES development
- Interviews with Andersen employees assigned to TXCSES development
- Interviews with federal officials from the Child Support Enforcement program
- Documentary evidence such as:
 - Amendment 5 Contract
 - Change Control Requests
 - Letters between OAG and Andersen
 - Letters between OAG and Baker & Botts
 - Implementation Standards Manual

Procedures and tests conducted:

- Tested accounting transactions for proper authorization and coding
- Tested budget transfers for statutory authority
- Reviewed status meeting minutes
- Reviewed timesheets
- Reviewed documentation in New System Development (NSD) Library

Other Information

Fieldwork was conducted from March 3, 1996, through December 31, 1996. The audit was conducted in accordance with applicable professional standards, including:

- Generally Accepted Government Auditing Standards
- Generally Accepted Auditing Standards

There were no significant instances of noncompliance with these standards.

The audit work was performed by the following members of the State Auditor's staff:

- Fran Carr, CPA (Project Manager)
- Charles Hepburn, CPA, CISA
- Ed M. Osner
- Janet L. Reynolds

- Debi K. Weyer
- Brenda J. Winkler, CQA
- Kay Wright Kotowski, CPA (Audit Manager)
- Craig D. Kinton, CPA (Audit Director)