AGO Collections Account Resolution and Enforcement System (CARES) Program

CARES
Collections Account Resolution & Enforcement System

CARES Implementation Phase

Stakeholder Kickoff

July 21, 2021 ~ 1 – 2:30 PM

Thank you for joining us!
The presentation will begin soon.

DAVE YOST
OHIO ATTORNEY GENERAL

C&R Software
Collections & Recovery Simplified

Deloitte.

Kickoff Objectives & Logistics

- Objectives
  - Introduce the CARES Program, its objectives and implementation & communications strategies
  - Introduce the Program Team
  - Provide awareness of stakeholder engagement needs
- Logistics for Stakeholder Kickoff
  - Kickoff will be recorded
  - Attendees should send questions to AGOCARES@OhioAGO.gov
    - Q&A Panel is available if needed
  - Recorded session, PowerPoint & Q&A will be provided on the CARES Program Website
- Client Breakout
  - We will take a 5 minute break before beginning the Client Breakout Session
    - Attendees should remain in the Webex
  - AGO Collections Enforcement Staff along with Special Counsel and Third Party Vendors will have separate breakouts at a later date

Kickoff Agenda

Topics
Welcome
CARES Program Introduction
CARES Program Status
Implementation Approach & Strategy
Communications Strategy
Partnering For Success

Section Chief, Lucas Ward

AGO Collections Account Resolution and Enforcement System (CARES) Program Introduction

Collections Enforcement Vision

"The Ohio Attorney General's Office leads the nation in providing professional, innovative, data driven, and efficient debt resolution service that maximizes recovery, service to indebted parties, and client engagement to protect all Ohioans."

Improvements & Lessons Learned

The following improvements were incorporated into the design, setting the CARES Program up for success:

- Transition from using a Systems Integrator to engaging C&R Professional Services with direct line to Debt Manager Product Team
- Building a “self-supporting” model for AGO to own and maintain the new system
- Created OCM Strategy and engaged Deloitte to drive transparency, communications, employee and client engagement, change impacts, etc.
- Created Business and IT Transformation Strategies with experienced leaders
- Setup an AGO CARES Program Office with an experienced Collections Sponsor and dedicated trainer role
- Contracted an experienced CUBS data expert to report to AGO

We’ve learned various lessons thus far in the program, most notably recognizing the:

Value in utilizing a phased approach, rather than a big bang approach, to minimize risk & prove the solution early.

Importance of relying on a proven, robust, industry-leading system by adopting its best practices rather than changing to fit us.

Need to address the ecosystem supporting and interacting with the new system, rather than focusing on the system itself.

What is driving CARES?

Need for a New System

The AGO's Collections Enforcement Section **collects debts on behalf of 400+ unique clients**, including state agencies, universities and local governments. Collectively, they are **owed more than $63 billion**

Reliance on **20+ years old collections system, Columbia Ultimate Business Systems (CUBS)** makes timely and efficient collections difficult, and its **inefficiencies** even **prevent** common-sense solutions.

CUBS & DM System Feature Comparison

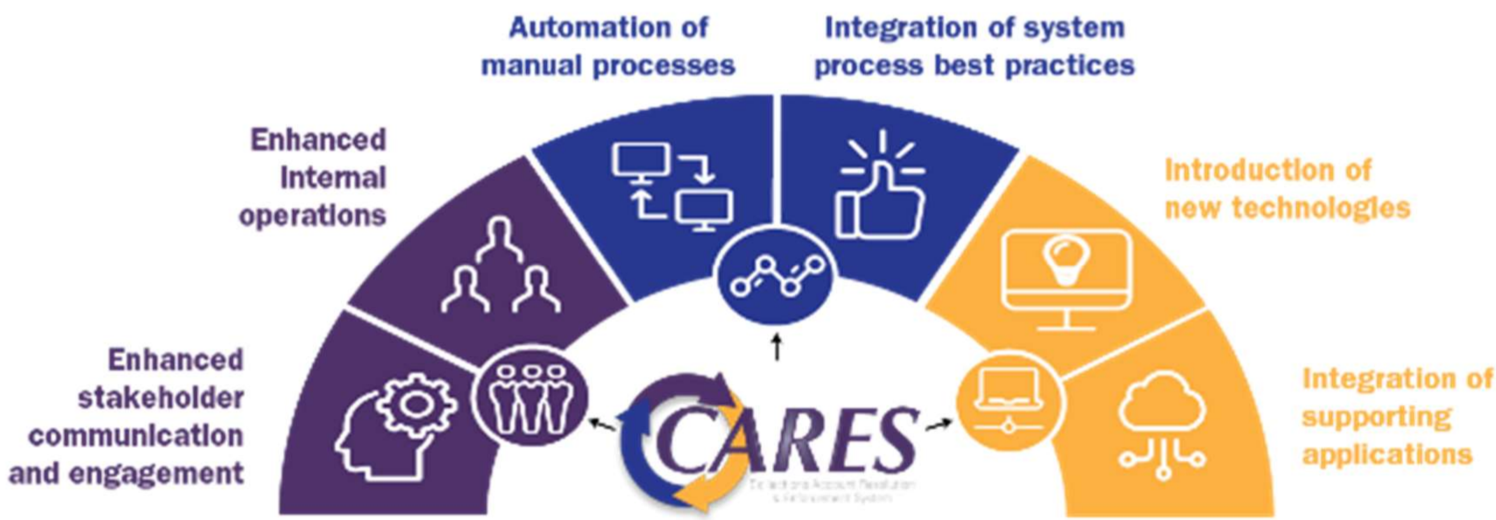
C&R's Debt Manager has **updated features and configuration possibilities** that will benefit the AGO's Collections Enforcement Section as well as clients and external partners.

System Feature	DM	CUBS
Ability to prioritize & distribute collections work effectively	✓	✓
Support for many debt types	✓	✓
Up-to-date data available	✓	
Automatic assignment of debt collection tasks	✓	
Access to analytics to monitor management & efficiency	✓	
Customized payment plans	✓	
Robust communication & interfacing with external partners	✓	
Optimization of debt collection timing for maximum returns	✓	
80+ preconfigured report types and customizable reports	✓	

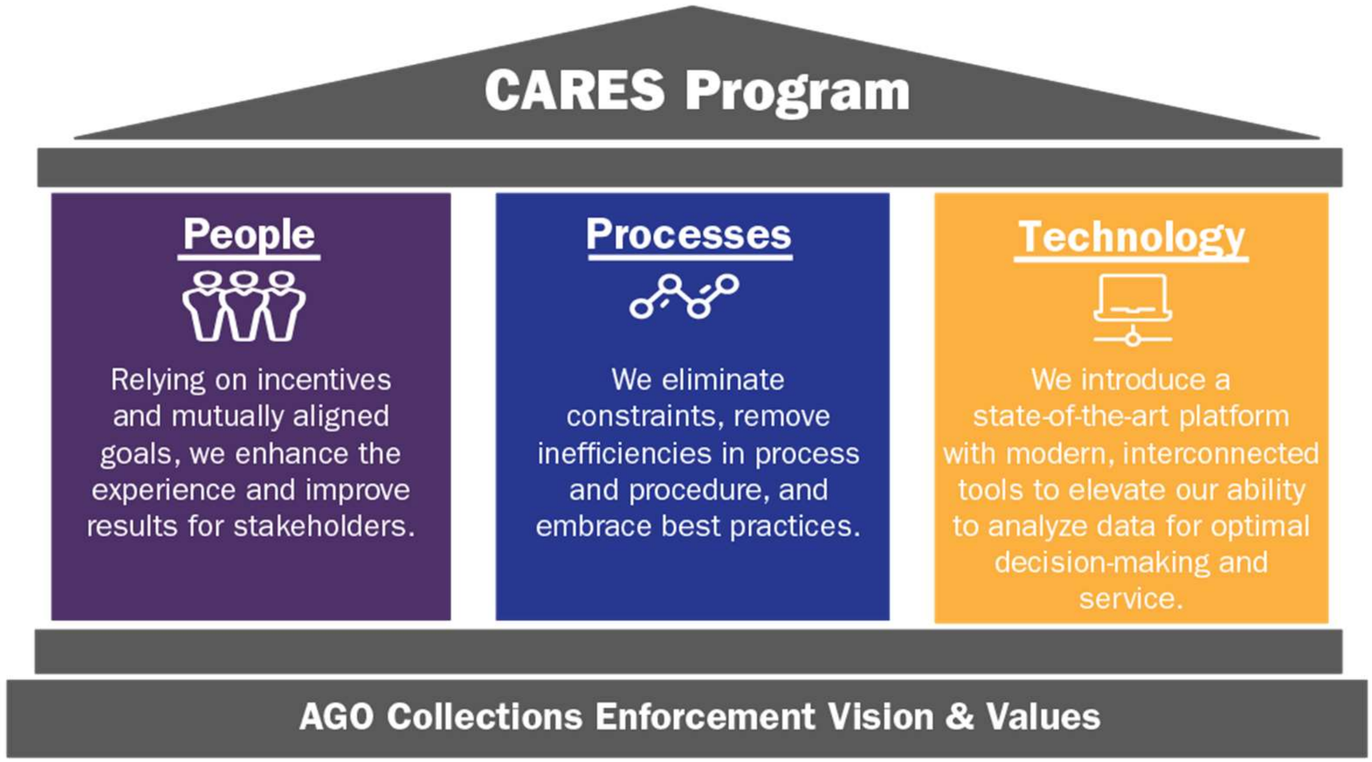
What is CARES?

The CARES Program is a wholesale modernization of the AGO's collections business, marked by the implementation of a new, state-of-the-art collections system.

This modernization of people, processes and technology is achieved through many transformative changes that will benefit all stakeholders, from those who are owed money to those who collect the debt as well as debtors themselves.



CARES Priorities



Meet the Team, David Montgomery

Program Organizational Chart

LEADERSHIP TEAM

David Montgomery | Program Management Lead

Rudy Rodriguez
AGO Project Manager

Rob Cinotti
C&R Project Manager

Robert Holczman
C&R Program Manager

Cassie Leggiero
Deloitte Project Manager

Herschel Elkins | Business Transformation Lead

Cassie Leggiero
Deloitte OCM Lead

Lori Gutshall
C&R Lead Functional Consultant

Lucas Ward/Bill Cahill
Business Policy

Anne Andrews
C&R Project Lead

Marissa Smith
Project Manager

Roy Robinson
Business Analyst

Steven Heaney | IT Transformation Lead

Joe Cossin
Chief Information Security Officer

Anne Andrews
C&R Project Lead

Greg Francis
Director of Application Development

Chris Hausman
C&R Lead Technical Consultant

Rodney Fleischer
Director of Infrastructure Support

EXECUTIVE STEERING COMMITTEE

Ben Marrison
Interim Executive Sponsor

Lucas Ward
Business Sponsor

Bill Cahill
Assistant Business Sponsor

Joe Rust
OCM Sponsor

Mark Edwards
IT Sponsor

Cynthia Dungey
Legal Sponsor

Chris Stevens
TPV/SC Sponsor

Shawn Busken
Outside Counsel Sponsor

Herschel Elkins
Client Sponsor

Ted London
C&R Project Executive (non-voting)

David Doyle
Deloitte OCM Executive (non-voting)

STAKEHOLDERS

Client Representatives

Taxation: Brenda McDonald, Steve Gray

Medicaid: Steve Voigt, Patrick Tighe

BWC: Dan Sendelback, Derek West

ODJFS: Julie Smith, Ted Maynard

Universities (UT): Stephanie Blausey

Medical (OSU): Chris Hardgrove

Special Counsel Representatives: Charles Geidner, Richard Geiger, Charles Mifsud, Sue Pohler

3rd Party Vendor Representatives: Jeff Homer, Jim Mitch

LGC/County Clerk's Association: Maureen Kelly

INDEBTED PARTY REPRESENTATIVES

Debtor Advocate: Christine Dunkle

Problem Resolution Officer: Barb Blazer

CHANGE AGENTS

Alan McDonie, Amber Hickman, Angela DeVanna, Cathy Jones, Dawn Taylor, Jen Clark, John Brunell, John Gifford, Karen Lawson, LaShanna Harris, Adolphia Matthews, Rachel Coleman, Rebecca Hartman, Shawn Headley, Gillian Wells

Executive Steering Committee

The CARES Program Team is governed by the Executive Steering Committee (ESC). The Program Team provides monthly progress updates, deliverable and financial status, and seeks approval on key strategic recommendations that potentially change business processes and legislative impacts from the ESC.

Benjamin Marrison
Interim Executive Sponsor

Lucas Ward
Business Sponsor

William Cahill
Asst. Business Sponsor

Joseph Rust
OCM Sponsor

Mark Edwards
IT Sponsor

Cynthia Dungey
Legal Sponsor

Herschel Elkins
Client Sponsor

Shawn Busken
Outside Counsel Sponsor

Christopher Stevens
TPV/SC Sponsor

AGO Business Transformation Team

Herschel Elkins
Business Trans. Lead

Lucas Ward
Business Sponsor

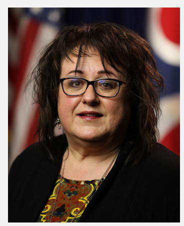
William Cahill
Asst. Business Sponsor

Roy Robinson
Business Analyst

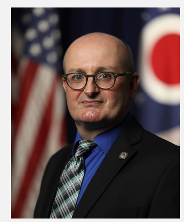
Marissa Smith
Project Manager

AGO Business SMEs

Steve Sherrod
Deputy Director of Third Party Vendors



Trish Lazich
Director of Bankruptcy & Legal Support



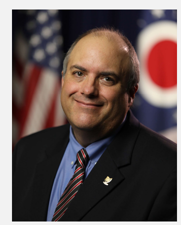
Andrew Littlefield
Deputy Director of Resolution

James Seeto
Director of Non-Legal Operations

Sharnee' Jennings
Deputy Director of Taxation

Jennifer Zap
Associate AAG/Collections Mgr.

Susan Kawalec
Senior AAG



Daniel Tharp
Deputy Director of Non -Tax

David Boals
Deputy Director of Accounting

Business Transformation

Business Transformation Strategy

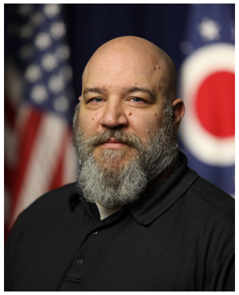
- Centered on best practices and lessons learned
- Continuous collaboration and communication is our key focus
- Provide transparency by openly communicating and engaging with all stakeholder groups, and aligning on what is needed and how we plan to get there
- Focusing on a holistic view of the Collections Enforcement ecosystem

Business Transformation Activities

- Engage Stakeholders and Change Agents to gain needed input, review results and provide validation of OCM activities and materials
- Provide expertise & coordination on the people side of change focusing on role changes, knowledge transfer and training to support the implementation
- Develop, drive and modify communications strategy to inform and gain feedback focusing on the benefits of change

IT Transformation Team

Steven Heaney
IT Transformation Lead



Rodney Fleischer
Director of Infrastructure support

Joe Cossin
Chief Information Security Officer

Greg Francis
Director for Applications Development

IT Transformation

IT Transformation Strategy

- A key objective and lesson learned from the past is for the AGO to be "self-sufficient" in owning, supporting and maintaining our core Collection System.
- An ITS Transformation Strategy was developed to ensure this occurs.
- An ITS Transformation Team is being built during these upcoming Implementation Phases to enact the strategy.

IT Transformation Team Objectives

Lead our objective to be "self-sufficient" in supporting the new Debt Manager system unlike today with CUBS

Provide IT support and services to the CE Operations Support Team for technical support, product upgrades, database support and other services once the C&R Software team is done

Develop a long-term Quality Assurance (QA) Test Team in support of the Debt Manager system

Acquire and implement a holistic QA Test Management and Requirements tool for tracking and managing defects and changes to the system

Work with C&R to confirm knowledge transfer and technical training is provided to the Collections Operation Support Team and ITS Support Teams

Deloitte's Organizational Change Management (OCM) Team

An experienced Deloitte team is assisting the AGO with the OCM activities that drive the CARES Program, including stakeholder engagement, business readiness, organizational design, and training. Below is the OCM team, most of which who have been with the Program since Discovery.

David Doyle
Project Executive

Jason Carbaugh
Project Manager

Cassie Leggiero
Project Lead

Matthew Sochacki
Operational Readiness Lead

Jessica Waters
OCM Lead

Organizational Change Management

OCM aims to unify the complex moving pieces of the project by:

Stakeholders

Identifying all impacted stakeholders and defining engagement plans to support them with all changes

System Changes

Documenting change impacts related to system changes and providing guidance on how to implement the new solution

Process Changes

Defining the current state of business processes and developing new business processes that align to the new collections system

C&R Team Members

The AGO has engaged the Jonas C&R Software (C&R) to assist in the configuration and deployment of its collections and recovery ecosystem, Debt Manager, to replace CUBS. Below is the core C&R team – most have been on the project since Discovery.

Ted London
Project Executive

Robert Holczman
Program Manager

Anne Andrews
Project Lead

Rob Cinotti
Project Manager

Lori Gutshall
Lead Functional Consultant

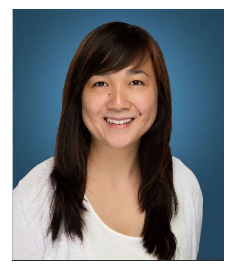
Chris Hausman
Lead Functional Consultant

Michael Cohen
Business Analyst Consultant

Eric Markle
Functional Consultant

Travis Godfrey
Functional Consultant

David Taylor
Technical Consultant



Nhu Dumas
Functional Consultant

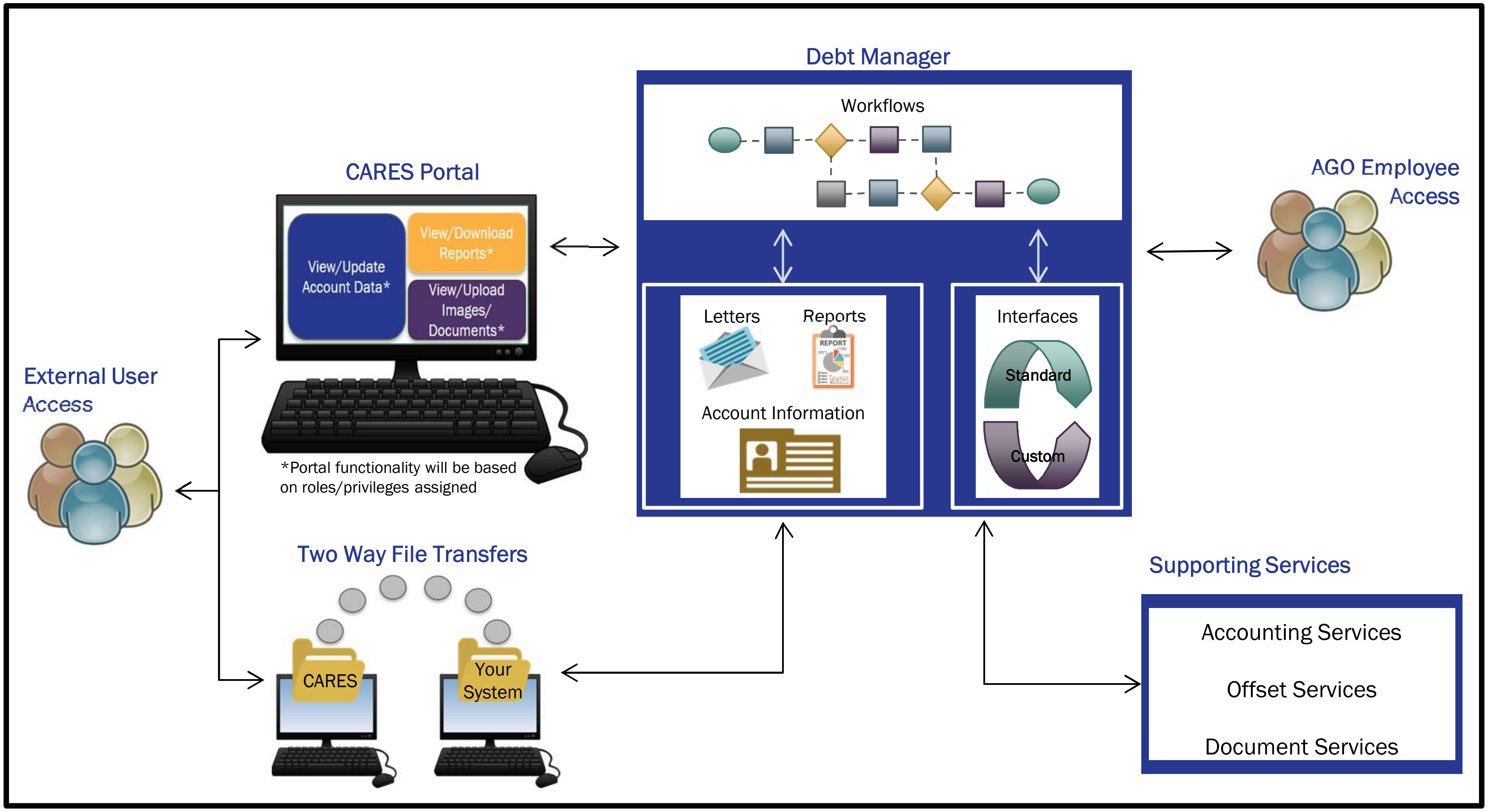
Satyendra Netala
Quality Assurance

C&R Approach & Strategy

Phased Approach	Reduces Risk and Expense, and ensures success
Best Practices	Using best practices, refined over 120+ implementations
Out of the Box	Leverage core functionality to meet AGO business needs, limiting customizations
Standardization	Standardize data exchanges where possible to reduce customizations
“A” Team	C & R’s best and most experienced implementation team

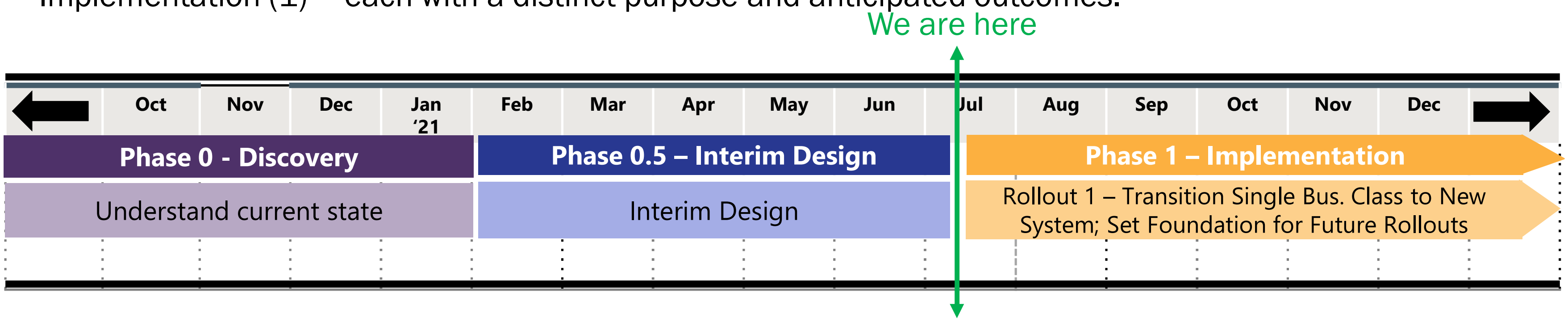
CARES Program Status, David Montgomery

Solution Overview



Program Phases & Purpose

The CARES Program consists of three foundational phases: Discovery (0), Interim Design (0.5), and Implementation (1) – each with a distinct purpose and anticipated outcomes.



Through a review of the current state, "pain points" are discovered. Focus on defining Business Requirements and high-level system design.

Also: Identify stakeholders and develop an engagement plan.

Kick off low-level design of functionality that applies to all business classes. Hold workshops to design external partner workflows and inbound/outbound interfaces.

Also: Initiate the organizational hierarchy configuration for Debt Manager.

Transition successfully to new system and processes after verifying that the business, functional and technical requirements are met.

Also: Conduct subsequent rollouts by business class with detailed, low-level design taking place as needed.

Phase 0 – Discovery

The 10-month Discovery Phase completed in late February 2021

Among other things during the assessment, the Program Team completed the following activities:

- ✓ Established stakeholder groups and identified key stakeholders within each group
- ✓ Began accessing and documenting stakeholder system requirements
- ✓ Documented and validated current state workflows and high-level to-be workflows

Results:

The Discovery Phase yielded a wealth of intelligence and insight. Among other noteworthy findings, the CARES Program Team identified:

67	76	129	231	7
Process improvements to be made	Business process workflows to be upgraded	Interfaces to be designed	Letters to be reproduced in the new system	Best practices to be implemented

Discovery Outcomes

By taking the time to conduct a Discovery Phase, we have been able to better quantify what needs to be done for a successful implementation.

	Original Proposal (Aug. 2019)	Post Discovery Proposal
Workflows	35	88
Integrations	12	72
Reports	0	32
Letters	150	231
Portals	0	4
Releases	3	6-9

Phase 0.5 – Interim Design

The 5-month Interim Design Phase completed in late July 2021

The Interim Design Phase encompasses the initial functionality design and how it will apply to all client groups and other stakeholders. Work completed in this phase includes:

- Held design workshops to determine which technical configurations would work best in the Debt Manager (DM) system
- Design the workflows for Special Counsel and Third Party Vendors (External Partners)
- Conduct data mapping and create interfaces for all of the stakeholders who interact with DM

Results:
The following work was accomplished as part of the Interim Design Phase:

- Defined & designed the **organizational hierarchy** configuration for DM
- Defined & tailored a custom "**make whole" processing solution**
- Created 5 **functional design specifications** (FDS) for External Partner interfaces
- Documented **field-level mapping requirements** to migrate data from CUBS to DM
- Documented **DM workflow configurations** for External Partners

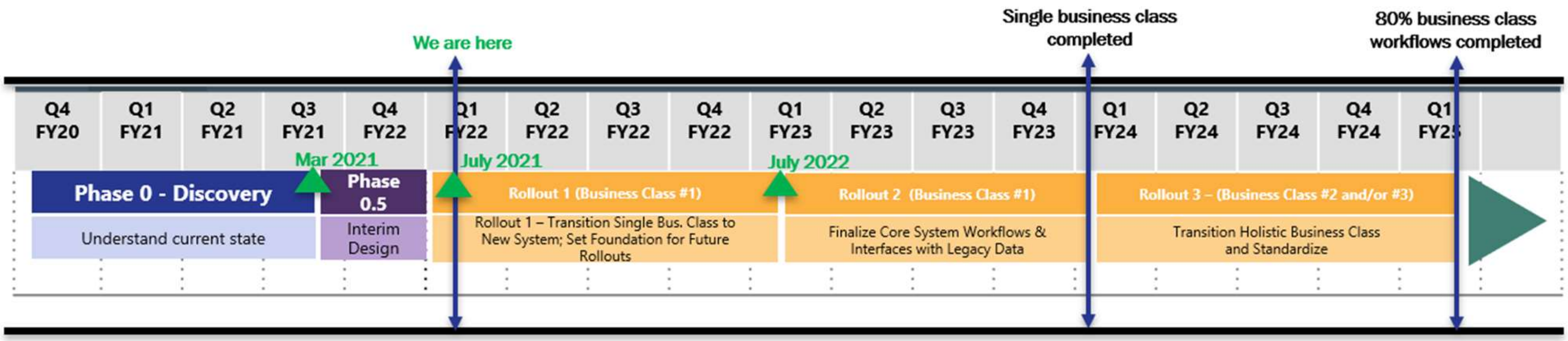
Implementation Approach & Strategy

High Level Program Timeline

A phased implementation strategy minimizes risk by incrementally building out core system functionality in a logical, sequential manner

Initial Rollout

- Lay the Foundation – Core functionality that will benefit all aspects of the business, including common Workflows, Integrations, Letters, and Reports
- Add the Business but Keep it Simple – Leverage the foundation + a small but meaningful layer of business class-specific functionality
    - Day forward – Focus on new certifications before adding conversion of old data
    - Internal Process Only – Focus on internal workflows before adding external partner workflows



Business Class Sequencing

A key consideration in the overall Implementation strategy is the sequencing of business classes, which determines the order in which Debt Manager is rolled-out for each stakeholder group

The initial rollout introduces:

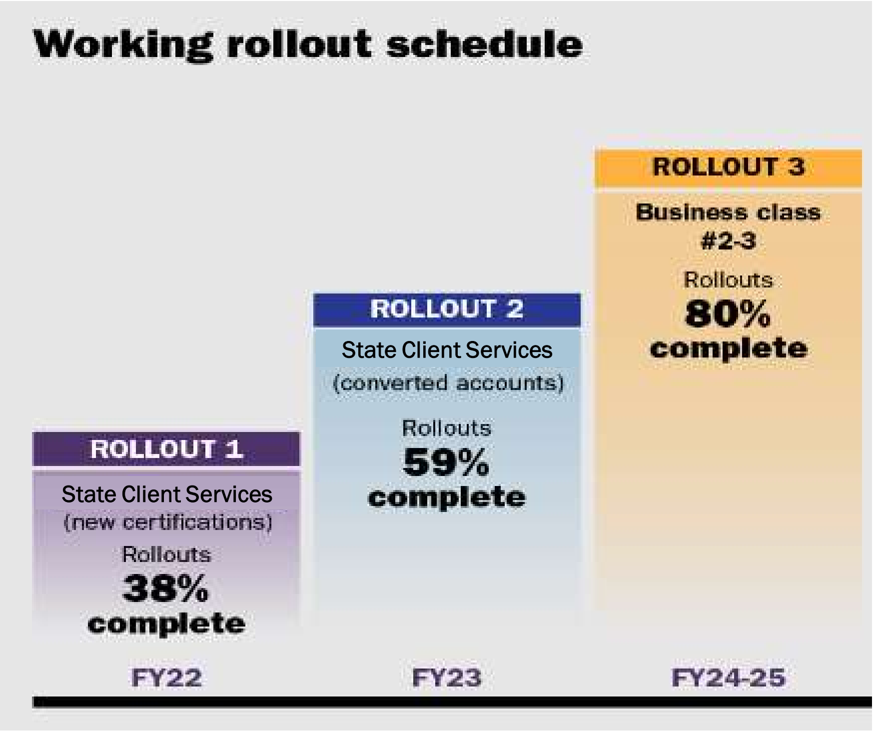
A limited number of state agencies → of a certain size (i.e., State Client Services) → with a pattern of recent certifications

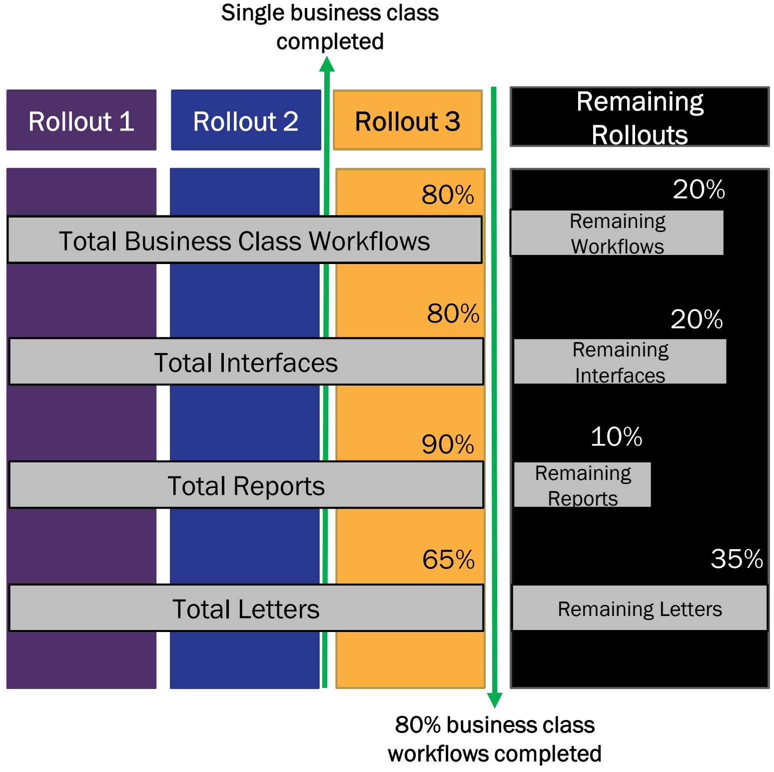
All business classes were evaluated for sequencing and suitability for the initial rollout based on the following types of factors:

- Business risk and complexity
- Statutory obligation alignment
- Organizational change management impact
- Development and configuration
  - Volume
  - Complexity
  - Timeline

Implementation Approach

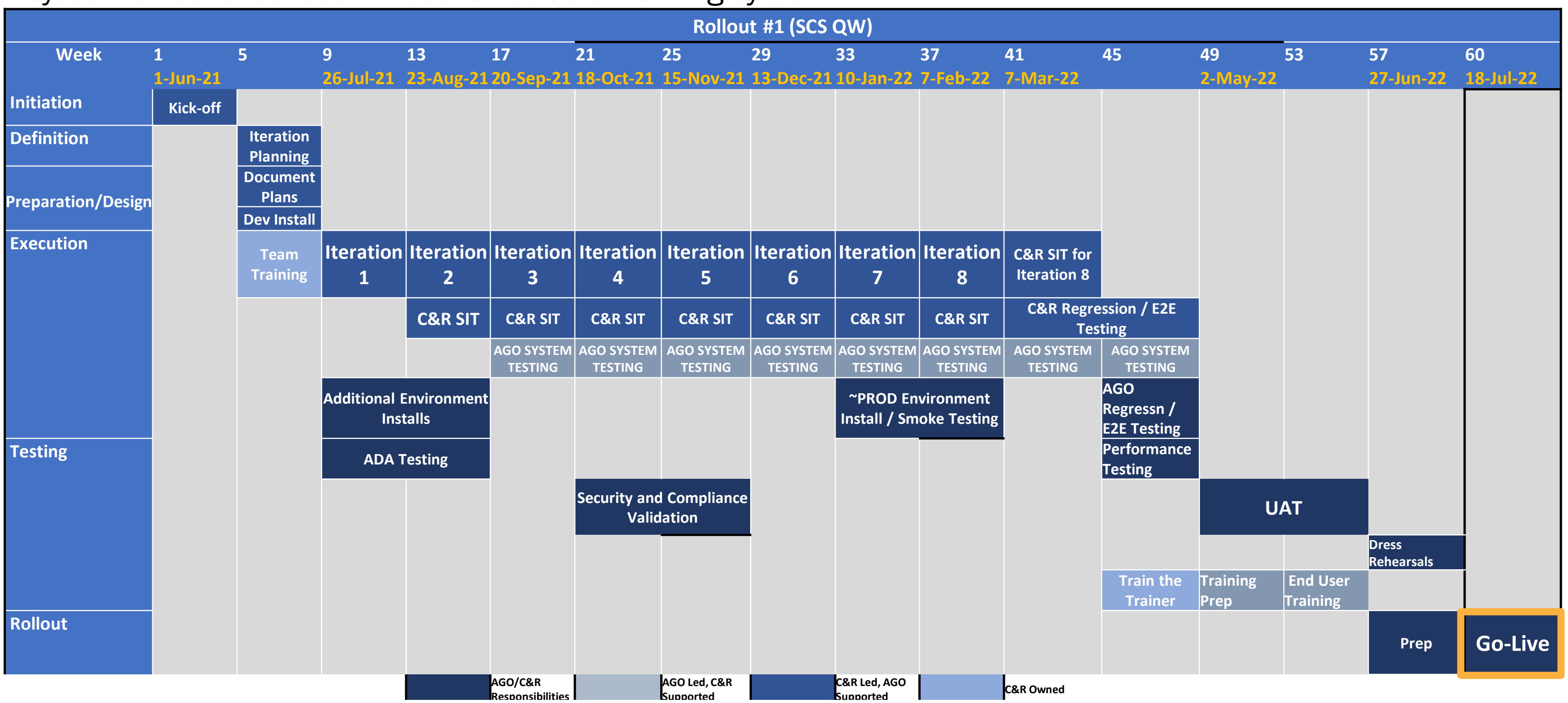
Our implementation plan is a buildup of the holistic system as we complete each rollout. The entirety of common workflows, interfaces, letters and reports are considered as we build the solution resulting in 80% of business class workflows being complete at end of Rollout #3.



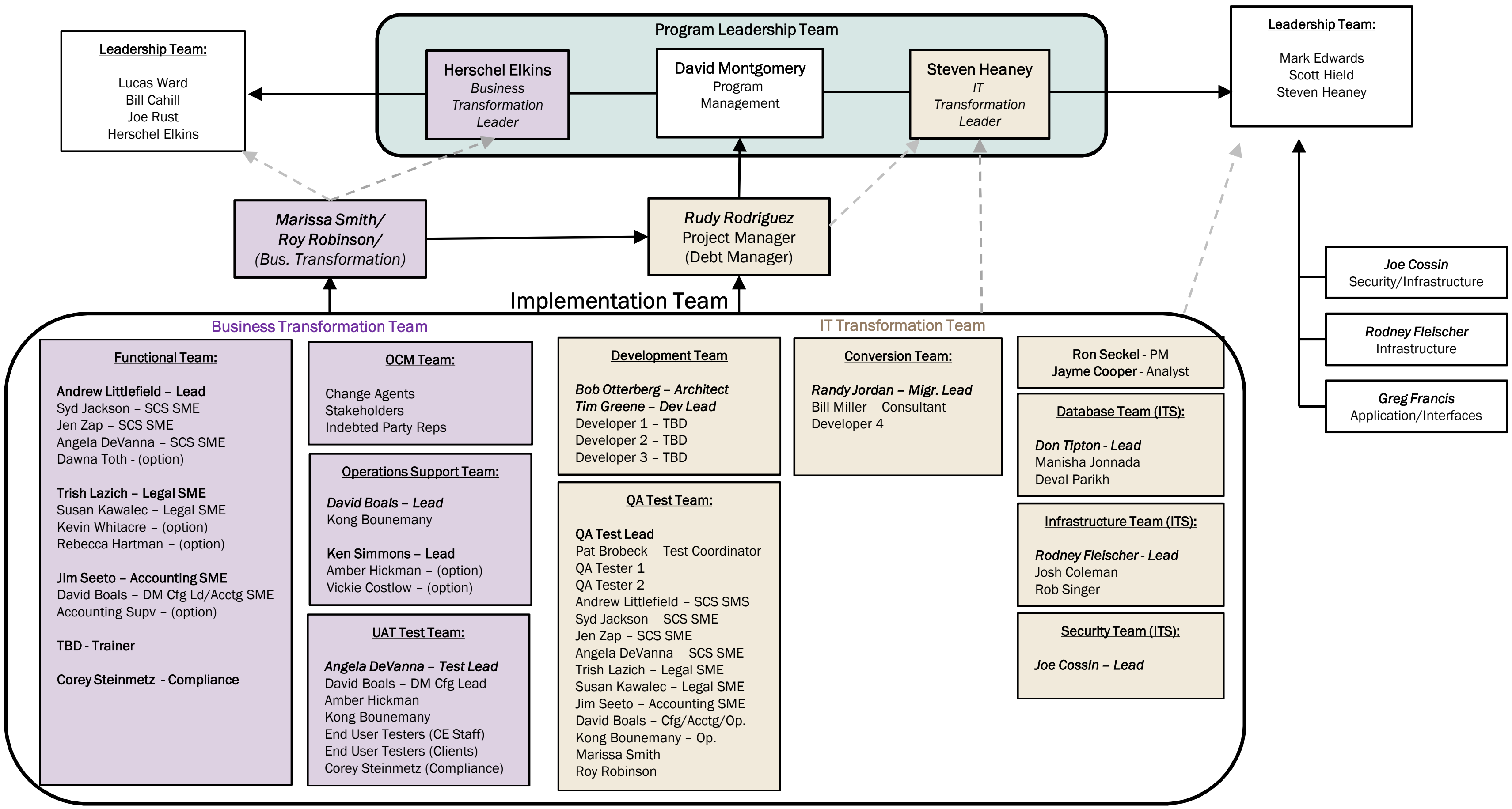


Implementation Process – C&R's DMLC

The C&R Software's Debt Manager Life Cycle (DMLC) is an iteration-based model that enables configuring Debt Manager in incremental steps for establishing the core system early and adding features to this core system once it has been established as a working system.



Program Management Team



Communications Strategy, Herschel Elkins

Communications Strategy

Stakeholders will be engaged at various frequencies throughout the remainder of the CARES Program based on their involvement in each rollout

Go-Live Readiness

Designed to prepare audiences who **are approaching go-live within 12-18 months** for the activities occurring as part of their rollout

These groups will be engaged on **a regular, more frequent basis** than the long-term group through communications and activities that include:

- Readiness Workshops
- Low Level Design Sessions
- Readiness/Pulse Surveys
- Virtual Training Sessions & Materials

Long Term Communications

Designed to keep audiences **not approaching go-live within 12-18 months** informed about the program's status and timeline

These groups will be engaged on a **regular, less frequent basis** than the go-live group through written communications and activities that include:

- Written communications
- Pulse Surveys
- Continuation of existing meetings/updates

CARES Resources

The CARES leadership team is dedicated to transparency; In addition to the development of engagement strategies intended to keep stakeholders informed, the following resources and channels of communication are always available to those impacted by the CARES Program.

CARES Website

This website serves as your resource for the most up-to-date Program information and updates

CARES Mailbox

The AGOCARES mailbox will be used by the program team to distribute CARES communications to stakeholders and respond to inquiries regarding the Program.

Stakeholder Contacts

Stakeholder POCs serve as a direct resource, providing a channel of communication between each audience and the Program team

Have questions, feedback or concerns? Please email the AGO's CARES Program team at AGOCARES@OhioAGO.gov

Partnering for Success, Lucas Ward

Thank You!