

DEPARTMENT OF TRANSPORTATION

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"The great power of
the state is in the people."

June 28, 2010

The Honorable Denise Ducheny
Chair, Joint Legislative Budget Committee
California State Senate
1020 N Street, Room 553
Sacramento, CA 95814

Dear Senator Ducheny:

I am pleased to submit the California Department of Transportation's (Caltrans) quarterly report on the *Project Resourcing and Schedule Management System*. This report is required under the provisions of Item 2660-492-0042 of the Budget Act of 2005. The provision states:

"Beginning July 1, 2005, the Department of Transportation shall provide to the Chairperson of the Joint Legislative Budget Committee copies of the monthly status and oversight reports submitted to the Department of Finance for the Project Resource and Scheduling Management Project on a quarterly basis."

The enclosed package contains three monthly reports that were submitted by the Independent Project Oversight Consultant to the California Department of Finance from March 1, 2010, through May 31, 2010. These reports identify potential risks with significant probability of occurrence and impact. Caltrans is actively monitoring these risks and mitigating them as identified in Attachment A.

Distribution to the Legislature has been made by Caltrans pursuant to California Government Code section 9795. This report can be found at www.dot.ca.gov/reports.htm.

Sincerely,


CINDY MEKIM
Director

Attachment

ATTACHMENT A

	Risk Title	Risk Mitigation Summary	Page
1	PRSM Project Cost Increase	A Project Change Request proposal for cost and schedule has been submitted by the Vendor for the change in interface to the new Caltrans financial system, EFIS. It is currently being evaluated by the Caltrans project team and stakeholders.	5 of 39
2	Project Change Requests Finalization and Approval	Caltrans has approved PCR 8 and 9, both of which did not result in a schedule or cost impact. The Vendor has not yet submitted PCR 12 for Caltrans approval and PCR 13, incorporates the change to EFIS, is still being evaluated as mentioned above.	5 of 39
3	PRSM Task Dependency Identification	The project work plan combines both Caltrans and Vendor activities in order to identify task dependencies. Additional efforts continue to further refine larger tasks into dependent smaller ones in order to identify all dependencies between activities, especially those that involve both Caltrans and Vendor resources.	5 of 39
4	PRSM Project Team Communications	Caltrans and the Vendor have regular status meetings to discuss the project schedule, risks, issues and action items. Meetings are also scheduled on an as-needed basis to facilitate the resolution of issues and action items. To effectively communicate with project stakeholders, Caltrans has implemented the approved project Communications Plan. Monthly Implementation Managers meetings have been reformatted to provide more effective communication to the Districts. A monthly newsletter is distributed to the entire project team and selected stakeholders. The project website is being updated to provide stakeholders information on business process changes.	6 of 39
5	Resource Availability	Caltrans has incorporated resource assignments in its PRSM project work plan that is integrated with the Vendor's effort. All critical Caltrans resources have been allocated full time to the project. Further schedule refinements identify necessary resources. At this time there do not appear to be any Caltrans resource availability issues.	7 of 39

6	Business Rules and Business Process Changes	The PRSM project has a formal process for implementing project related changes. Business Process changes will be communicated through periodic stakeholder meetings, the monthly project newsletter, the project's intranet site and in planned training classes.	7 of 39
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