

**STATE OF CALIFORNIA
BUDGET CHANGE PROPOSAL - COVER SHEET
FOR FISCAL YEAR 2009/10
DF-46 (REV 04/08)**

Department of Finance
915 L Street
Sacramento, CA 95814
IMS Mail Code: A-15

Please report dollars in thousands.

BCP # 1	PRIORITY NO	ORG CODE 1730	DEPARTMENT Franchise Tax Board
PROGRAM 10 Tax Programs	ELEMENT 10 Personal Income Tax	COMPONENT	

TITLE OF PROPOSED CHANGE:

Enterprise to Data Revenue Project

SUMMARY OF PROPOSED CHANGE:

The Franchise Tax Board is requesting funding of \$3.9 million and 58 positions for FY 2009/10 to begin implementation of the Enterprise to Data Revenue (EDR) project, which is strategically directed at providing profound revenue generating and cost saving solutions.

REQUIRES LEGISLATION <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	CODE SECTION(S) TO BE AMENDED/ADDED	BUDGET IMPACT-PROVIDE LIST AND MARK IF APPLICABLE <input checked="" type="checkbox"/> ONE-TIME COST <input checked="" type="checkbox"/> FULL-YEAR COSTS <input checked="" type="checkbox"/> FACILITIES/CAPITAL COSTS <input checked="" type="checkbox"/> FUTURE SAVINGS <input checked="" type="checkbox"/> REVENUE
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PREPARED BY:	DATE	REVIEWED BY:	DATE
Pending Board Approval			
FTB PROGRAM APPROVAL:			
DEPARTMENT DIRECTOR:		AGENCY SECRETARY:	DATE

DOES THIS BCP CONTAIN INFORMATION TECHNOLOGY (IT) COMPONENTS? YES OR NO
IF YES, DEPARTMENTAL CHIEF INFORMATION SIGNATURE DATE

FOR IT REQUESTS, SPECIFY THE DATE A SPECIAL PROJECT REPORT (SPR) OR FEASIBILITY STUDY REPORT (FSR) WAS APPROVED BY THE OFFICE OF THE CHIEF INFORMATION OFFICER (OCIO), OR PREVIOUSLY BY THE DEPARTMENT OF FINANCE.

DATE Pending PROJECT # FSR 08-05 FSR OR SPR

IF PROPOSAL AFFECTS ANOTHER DEPARTMENT, DOES OTHER DEPARTMENT CONCUR WITH PROPOSAL? N/A

YES
 NO

ATTACH COMMENTS OF AFFECTED DEPARTMENT SIGNED AND DATED BY THE DEPARTMENT DIRECTOR OR DESIGNEE.

DEPARTMENT OF FINANCE ANALYST USE (ADDITIONAL REVIEW)

CAPITAL OUTLAY ITCU FSCU OSAE CALSTARS OCIO

DATE SUBMITTED TO THE LEGISLATURE:

PPBA:

BCP # 1	DATE:	Title of Proposed Change:	Personnel Years			CY	BY	BY + 1
			CY	BY	BY + 1			
PROGRAM	10/27/2008	Enterprise to Data Revenue Project						
Tax Programs	ELEMENT	COMPONENT						
	Personal Income Tax							
Total Salaries & Wages a/			.0	31.0	84.0	\$ 0	\$ 1,325,000	\$ 3,388,000
Salary Savings			.0	-1.6	-4.4	\$ 0	-\$ 66,000	-\$ 170,000
Net Total Salaries and Wages			.0	29.4	79.6	\$ 0	\$ 1,259,000	\$ 3,218,000
Staff Benefits b/						\$ 0	\$ 569,000	\$ 1,493,000
Total Personal Services						\$ 0	\$ 1,828,000	\$ 4,711,000

Operating Expenses and Equipment

General Expenses /1	\$ 0	\$ 266,000	\$ 222,000
Printing /2	0	1,000	9,000
Communications /3	0	30,000	81,000
Postage /4	0	1,000	16,000
Travel-In-State	0	0	0
Travel Out-of-State	0	0	0
Training	0	0	0
Facilities Operations /5	0	332,000	0
Utilities	0	0	0
Cons & Prof Svs - Interdept'l /6	0	0	121,000
Cons & Prof Svs - External /7	0	830,000	1,224,000
Consolidated Data Center	0	0	0
California Health and Human Services Agency Data Center	()	()	()
Stephen P. Teale Data Center	()	()	()
Data Processing /8	0	574,000	1,456,000
Equipment /9	0	8,000	0
Other Items of Exp (Specify Below)	0	0	0
Total Operating Expense & Equipment	\$ 0	\$ 2,042,000	\$ 3,129,000

a/ Itemized detail on Page II-3 by classification as in Salaries and Wages Supplement.

b/ Detail provided on following pages.

/1 General Expense @ \$1001 per position (FY 2009/10 - 4 full year positions and 54 part year positions, FY 2010/11 - 71 full year positions and 26 part year positions). Plus minor equipment @ \$1054 (FY 2009/10 - 58 positions, FY 2010/11 - 39 positions). Plus standard laptops @ \$2,136 and IT laptops @ \$2,417 (FY 2009/10 - 15 IT laptops (includes 9 for contractors) and 52 standard laptops plus dual monitor and switch cards for 50 positions @ \$533 per position, FY 2010/11 - 4 IT laptops and 35 standard laptops plus dual monitor and switch cards for 26 positions @ \$533 per position).

/2 Printing Costs @ \$24 per position (FY 2009/10 - 4 full year positions and 54 part year positions, FY 2010/11 - 71 full year positions and 26 part year positions). Plus one-time printing needs of \$252 in FY 2009/10 and \$6,317 in FY 2010/11.

/3 Communication costs @ \$966 per position (FY 2009/10 - 4 full year positions and 54 part year positions, FY 2010/11 - 71 full year positions and 26 part year positions).

/4 Postage Costs for additional mailings.

/5 One time facilities costs.

/6 DGS (Interagency) contract services.

/7 Project oversight and system documentation contract services.

/8 Software for standard laptops @ \$627 per PC and IT laptops @ \$709. Plus additional software and hardware purchase, license and maintenance.

/9 One time equipment costs for 1 color copier and 1 laser printer.

			<u>CY</u>	<u>BY</u>	<u>BY + 1</u>	
TOTAL OPERATING EXPENSES AND EQUIPMENT			\$ 0	\$ 2,042,000	\$ 3,129,000	
SPECIAL ITEMS OF EXPENSE d/			\$ 0	\$ 0	\$ 0	
PROGRAM ADMINISTRATION			\$ 0	\$ 0	\$ 0	
Distributed Admin			\$ 0	\$ 0	\$ 0	
TOTAL STATE OPERATIONS EXPENDITURES			\$ 0	\$ 3,870,000	\$ 3,129,000	
<u>Source of Funds</u>	<u>Appropriation No.</u>					
	Org	- Ref	- Fund			
General Fund	1730	001	0001	\$ 0	\$ 3,870,000	\$ 3,129,000
				0	0	0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
Reimbursements	1730	501	0995	0	0	0
Totals				<u>\$ 0</u>	<u>\$ 3,870,000</u>	<u>\$ 7,840,000</u>
LOCAL ASSISTANCE				\$(0)	\$(0)	\$(0)
<u>Source of Funds</u>	<u>Appropriation No.</u>					
	Org	- Ref	- Fund			
General Fund	1730	001	0001	\$ 0	\$ 0	\$ 0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
Reimbursements				0	0	0
Totals				<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

d/ Special Items of expense must be titled. Please refer to the Uniform Codes Manual for a list of the standardized Special Items of expense objects which may be used.

**DETAIL OF STAFF BENEFITS
AND PERSONAL SERVICES**

Positions		Positions			Salary Range	CY	Amount		
		CY	BY	BY + 1			BY	BY + 1	
Accounts Receivable Management Division									
Administrator I	PERM	0.0	0.0	1.0	\$ 5,076 \$ 6,476	\$	0	\$	69,000
Sr Compliance Rep.,Ftb	PERM	0.0	0.0	1.0	\$ 4,619 \$ 5,616	\$	0	\$	61,000
Tax Technician, Ftb - Rg B	PERM	0.0	0.0	6.0	\$ 2,817 \$ 3,426	\$	0	\$	225,000
Tax Program Tech I, Ftb	PERM	0.0	0.0	1.0	\$ 2,638 \$ 3,209	\$	0	\$	35,000
Total		.0	.0	9.0		\$	0	\$	390,000
Adjust for Part Year Positions		.0	.0	.0					
Net Positions/ PYs before salary savings		.0	.0	9.0					
Administrative Services Division									
* Personnel Specialist - Rg B	PERM	0.0	1.0	2.0	\$ 2,993 \$ 3,640	\$	0	\$ 20,000	\$ 80,000
Bus Services Officer I Spec	PERM	0.0	0.0	1.0	\$ 3,658 \$ 4,446	\$	0	\$	49,000
Materials & Stores Spec	PERM	0.0	0.0	1.0	\$ 2,877 \$ 3,420	\$	0	\$	38,000
Total Administrative Services Division		.0	1.0	4.0		\$	0	\$ 20,000	\$ 167,000
Adjust for Part Year Positions		.0	.5	.0					
Net Positions/ PYs before salary savings		.0	.5	4.0					
Part Year Positions									
* Personnel Specialist - Rg B					01/01/2010	Budget yr start date for 0.5 P.Y.s.			
Filing Division									
* Office Serv Manager I	PERM	0.0	1.0	1.0	\$ 3,975 \$ 4,831	\$	0	\$ 26,000	\$ 53,000
* Tax Program Supervisor	PERM	0.0	3.0	4.0	\$ 3,101 \$ 3,771	\$	0	\$ 62,000	\$ 145,000
* Tax Program Tech II,Ftb	PERM	0.0	6.0	9.0	\$ 2,951 \$ 3,588	\$	0	\$ 118,000	\$ 294,000
* Tax Program Tech I, Ftb	PERM	0.0	40.0	62.0	\$ 2,638 \$ 3,209	\$	0	\$ 702,000	\$ 1,789,000
Total Filing Division		.0	50.0	76.0		\$	0	\$ 908,000	\$ 2,281,000
Adjust for Part Year Positions		.0	25.0	13.0					
Net Positions/ PYs before salary savings		.0	25.0	63.0					
Part Year Positions									
* Office Serv Manager I					01/01/2010	Budget yr start date for 0.5 P.Y.s.			
* Tax Program Supervisor					01/01/2010	Budget yr start date for 1.5 P.Y.s.			
* Tax Program Tech II,Ftb					01/01/2010	Budget yr start date for 3 P.Y.s.			
* Tax Program Tech I, Ftb					01/01/2010	Budget yr start date for 20 P.Y.s.			
* Tax Program Supervisor					01/01/2011	Budget yr start date for 0.5 P.Y.s.			
* Tax Program Tech II,Ftb					01/01/2011	Budget yr start date for 1.5 P.Y.s.			
* Tax Program Tech I, Ftb					01/01/2011	Budget yr start date for 11 P.Y.s.			
Finance & Executive Services Division									
* Acctg Officer Spec	PERM	0.0	1.0	1.0	\$ 3,841 \$ 4,670	\$	0	\$ 26,000	\$ 51,000
Total Finance & Executive Services Division		.0	1.0	1.0		\$	0	\$ 26,000	\$ 51,000
Adjust for Part Year Positions		.0	.5	.0					
Net Positions/ PYs before salary savings		.0	.5	1.0					
Part Year Positions									
* Acctg Officer Spec					01/01/2010	Budget yr start date for 0.5 P.Y.s.			
Technology Services Division									
Sys Software Spec II Tech	PERM	0.0	4.0	4.0	\$ 5,561 \$ 7,097	\$	0	\$ 304,000	\$ 304,000
* Staff Prog Analyst Spec	PERM	0.0	1.0	1.0	\$ 5,065 \$ 6,466	\$	0	\$ 35,000	\$ 69,000
* Assoc Info Systems Analyst	PERM	0.0	1.0	2.0	\$ 4,619 \$ 5,897	\$	0	\$ 32,000	\$ 126,000
Total Technology Services Division		.0	6.0	7.0		\$	0	\$ 371,000	\$ 499,000
Adjust for Part Year Positions		.0	1.0	.0					
Net Positions/ PYs before salary savings		.0	5.0	7.0					
Part Year Positions									
* Staff Prog Analyst Spec					01/01/2010	Budget yr start date for 0.5 P.Y.s.			
* Assoc Info Systems Analyst					01/01/2010	Budget yr start date for 0.5 P.Y.s.			
Total Salaries and Wages	Positions	.0	58.0	97.0		\$	0	\$ 1,325,000	\$ 3,388,000
	Part Yr Adj	.0	27.0	13.0					
	P.Y.s	.0	31.0	84.0					

**Schedule of Staff Benefits Costs
FOR FISCAL YEAR 2009/10**

Staff Benefits	2008/09	2009/10	2010/11
OASDI /1	\$ 0	\$ 77,000	\$ 199,000
Dental /2	0	16,000	43,000
Health /3	0	233,000	633,000
Retirement /4	0	210,000	535,000
Vision /5	0	4,000	9,000
Medicare /6	0	18,000	46,000
Worker's Comp /7	0	10,000	26,000
Industrial Disability /8	0	0	1,000
Non Industrial Disability /9	0	1,000	1,000
Unemployment Insurance /10	0	0	0
Total Staff Benefits	\$ 0	\$ 569,000	\$ 1,493,000

1/ For permanent and overtime, 6.2% of net salary.

2/ For permanent, \$538 per net personnel year.

3/ For permanent, \$7,952 per net personnel year.

4/ For permanent, 16.633% of net salary.

5/ For permanent, \$110 per net personnel year.

6/ 1.45% of net salary for permanent.

7/ 0.81% of net salary for permanent.

8/ 0.04% of net salary for permanent.

9/ 0.06% of net salary for permanent.

10/ 6.27% of net salary for temporary help.

FRANCHISE TAX BOARD
Fiscal Year 2009/10

Budget Change Proposal
Enterprise Data to Revenue Project

BCP No. 1
Date: October 27, 2008

A. NATURE OF REQUEST

The Franchise Tax Board is requesting funding of \$3.9 million and 58 positions for FY 2009/10 to begin implementation of the Enterprise to Data Revenue (EDR) project, which is strategically directed at providing profound revenue generating and cost saving solutions. This proposal represents the first year of the EDR project, in which the total one-time project costs are estimated to be in excess of \$200 million for FYs 2009/10 through 2015/16 (refer to FTB FSR 08-05). Revenue generated from this augmentation request is anticipated to be \$4 million in accelerated revenue for FY 2009/10 and \$14 for FY 2010/11. The EDR project is estimated to generate \$90 million to \$1 billion annually beginning in FY 2012/13.

FTB will use a solution based procurement approach to acquire a best value and innovative solution. The proposed solution will introduce a new integrated workflow for return processing in conjunction with expanded data capture of tax documents. In order to be successful in obtaining a performance based contract the department requires an augmentation to fund the following:

- 1) A system documentation tool, consultant services, and additional permanent program staff.
- 2) Additional permanent program staff for revenue generating backlog cleanup.

B. BACKGROUND/HISTORY

Annually, FTB processes more than 15 million Personal Income Tax (PIT) returns and one million Business Entity (BE) returns, responds to more than three million phone calls, handles over seven million Internet contacts, and collects more than \$60 billion, representing nearly 67 percent of the state's general fund revenue.

Over the last two years, with the help of consultants, FTB undertook an extensive exercise to perform enterprise strategic planning for the FTB Tax Systems Information Technology Strategic Plan (ITSP). Through our planning efforts, we identified significant opportunities to make fundamental changes to return processing and to improve utilization of data. These opportunities form the basis of the EDR project. The EDR project offers opportunities to change FTB's landscape through an enterprise approach of data sharing and connecting IT systems through services resulting in significant revenue streams and cost savings.

System Documentation Tool, Consultant Services and Additional Program Staff

The most significant aspect of the EDR project is to reengineer the personal income tax and business entities return processes and implement a new integrated workflow. In order to effectively complete this task, we need to document the existing business processes and rules. To address this need, this proposal includes a request for a system documentation tool, consultant services and additional permanent positions to perform the required tasks and maintain the data. If the lack of system documentation is not addressed now, prior to the system development and implementation phase, this will result in:

- Considerable system analysis and documentation will be necessary concurrent with the development and implementation of the new return processes and in a compressed project schedule. This will result in additional analysis time and effort that will increase the project risks and costs.
- Building the documentation from ground zero. The risk would be that some systems business processes and rules would not be adequately discovered, documented and leveraged due to the project schedule and implementation pressures. This could lead to the new return processes not meeting requirements and not achieving the revenue objectives.
- The cost of the system analysis and documentation would be greater because the activity would be shouldered by the project system developer contractor versus the tool consultant.

For FY 2009/10, the cost of the system documentation tool is estimated at \$430,000, while the consultant services are estimated at \$830,000. This augmentation also includes four permanent Information Technology positions that will assist the consultant in understanding how FTB's tax systems are designed, to review and validate system processes and business rules, and gain the required knowledge and expertise to use the system documentation tool and maintain the data.

Additional Program Staff for Backlog Cleanup

In addition to our need to document system processes and rules, there is a need to clean up the current, ongoing return processing and collections backlogs to get ready for the reengineering and implementation of the new return processes. The ongoing backlog negatively impacts the availability of data, revenue and customer service, and must be addressed now. The backlog consists of: 1) unprocessed business entity returns averaging nine months past due, and 2) unprocessed collections correspondence amounting to approximately 33,000 letters.

The business entity return backlog has been growing steadily over several years and is largely attributable to the growing complexity of the tax law (e.g., Limited Liability Companies) and the limited functionality, rigid design and closed architecture of our business entities system. The return backlog consists of returns that fallout during automated processing to manual resolution, often leading to adjustments resulting in additional average revenue of about \$489 per return worked. Deferring this cleanup effort to the system development phase of the project will defer revenue, result in competing resources, and risk the timely completion and quality of both activities, adding further risk

to the EDR project.

The ongoing correspondence backlog likewise has been steadily growing over the years and is the result of sending increased numbers of collections notices while maintaining the same level of staffing. The correspondence is running 100 days overdue and it is mandated by the Taxpayer Bill of Rights that correspondence be answered within 21 days. Many debtors, who are not assisted through our call center due to staffing, write letters. These letters often lead to installment arrangements, resulting in additional average revenue collections of about \$438 per letter worked.

For the past few years, the business entity return and correspondence backlogs have been the focus of FTB attention; however, the progress we have made is insufficient. If these backlogs are left unattended, they will severely undermine the success of the EDR project. Because of the backlogs, prospective EDR contractors are likely to view the prospects for revenue and benefits to be extremely risky and cost prohibitive resulting in fewer and possibly even no bid proposal submissions.

This augmentation requests 50 permanent positions for the return backlog for FYs 2009/10 to 2010/11, and 26 additional permanent staff for FY 2010/11. For the correspondence backlog, we are requesting 9 permanent positions for FY 2010/11.

C. STATE LEVEL CONSIDERATIONS

The EDR project will significantly narrow the state's \$6.5 billion tax gap through a strategically planned Tax Systems Modernization effort consistent with the FTB Tax Systems ITSP, FTB IT Capital Plan, and enterprise vision incorporating state IT goals and objectives. The EDR project is the first of several IT projects strategically planned to incrementally align FTB's tax systems with the FTB Strategic Plan and FTB Enterprise Tax Business Vision. This augmentation request maximizes the success of the EDR project and sets the stage to achieve the corresponding State revenue objectives and IT goals at the lowest possible costs.

D. FACILITY/CAPITAL OUTLAY CONSIDERATIONS

The program areas represented in this proposal do not currently have sufficient space available to accommodate the additional staff requested in this proposal. As such, we are requesting funding for facility costs to provide accommodations at FTB's main campus.

E. JUSTIFICATION

Over the last 25 years, FTB's IT investments weighed heavily towards improving the effectiveness of our enforcement processes with the aim of bringing taxpayers into compliance. These investments have generated good results including the filing of more tax returns and the collection of more past due taxes. While these investments were effective, the enforcement processes are the most costly way for FTB to conduct its business because they concern the recovery of noncompliance revenue. The aim of the

EDR Project is to improve the effectiveness of our filing processes and thereby maximize compliance and revenues much sooner with the filing of the tax returns and when taxes are due. More specifically the EDR Project will narrow the \$6.5 billion tax gap by:

- Replacing the current return filing processes to improve efficiency and correct more returns.
- Providing discovery tools to identify noncompliance patterns and prevent fraudulent activity.
- Providing data as an enterprise asset to all authorized users.
- Improving the assignment of non-filer, audit and collection cases based on highest CBR.
- Providing reusable services to make functionality available and reduce maintenance costs.
- Retiring redundant systems.
- Expanding customer self-services.

In addition to addressing tax gap issues, the EDR project is aligned with FTB's Strategic Plan, Tax Systems ITSP and IT Capital Plan. All of the objectives and strategies of the EDR project are direct derivatives from these documents. FTB's IT Strategic Plan takes into consideration the State of California (CIO) and the State and Consumer Services Agency goals and strategies as well. The EDR project seeks to achieve FTB's primary function, strategies and goals, which revolves around collecting the proper amount of tax revenue due at the least cost.

By cleaning up the return and correspondence backlogs with this augmentation, FTB will accelerate revenues in the near term and set the stage to focus its attention on the EDR project and maximize the EDR solution revenue benefits.

F. OUTCOMES AND ACCOUNTABILITY

FTB Feasibility Study Report (FSR) 08-05 supports this request and provides the detail about the project scope, requirements and solution. An FSR study team comprised of a cross section of the department participated in the FSR analysis and requirements. A Project Manager, working with the Department's Project Oversight Guidance (POG) Section will oversee project activities including procurement to ensure all applicable policies, rules, guidelines, and procedures are followed. A Project Oversight vendor will be engaged to ensure project management activities including schedule management, earned value analysis and risk management are executed consistent with industry best practices and standards. An IV&V vendor will also be engaged to oversee and perform quality assurance of the EDR Project contractor and state activities to ensure execution consistent with requirements. The Project Manager will work with POG to monitor project progress and perform communication management including status reporting consistent with stakeholder and overseer needs. The FSR is the responsibility of the department's Chief Information Officer or delegate. The fiscal oversight of the project is the responsibility of both CIO and the Chief Financial Officer (CFO).

G. ANALYSIS OF ALL FEASIBLE ALTERNATIVES

Alternative 1 – Approve funding of approximately \$3.9 million and 58 positions to begin implementation of the EDR project in FY 2009/10.

This alternative represents year one of a multi-year project that addresses fundamental problems involved with processing Personal Income Tax (PIT) and Business Entity (BE) tax returns and the underutilization of data with an emphasis on cost savings and generating revenue. This alternative requests an augmentation to:

- 1) Procure a software tool, consultant services and additional program staff for system documentation
- 2) Hire additional program staff to cleanup return and collections backlogs

Alternative 2 – Defer backlog cleanup

This alternative is similar to Alternative 1, except that the department would defer the backlog cleanup to the system development phase. Deferring this cleanup effort will result in competing resources and risk the timely completion and quality of both activities, adding further risk to the EDR project. If the backlogs are left unattended it will severely undermine the success of the project. Prospective contractors are likely to view the prospects for revenue and benefits to be extremely risky and cost prohibitive resulting in fewer and possibly even no bid proposal submissions.

Alternative 3 – Defer the system documentation

This alternative is similar to Alternative 1, except that the department would defer the system documentation effort to the system development phase. This alternative will subject the system documentation task to the higher rates of the system development contractor. It also risks inadequate completion of the task due to competing concurrent activities and pressure to implement the project to generate benefits so the vendor can be paid. On a positive note, this alternative may potentially allow the department to fund these costs with project benefits.

Alternative 4 – Defer both the backlog cleanup and system documentation

This alternative would defer both the backlog cleanup and the system documentation effort to the system development phase. This alternative would severely jeopardize the success of the EDR Project due to higher risks and costs. Not performing these activities would result in missed requirements, add more costs due to more unknowns (e.g., uncertainty as to business rules), put at risk the successful securing of a performance based contract, and risk a schedule delay due to discovery of unplanned issues.

H. TIMETABLE

- System Documentation tool will be purchased July 2009, with one year maintenance costs and contracting services that begin July 2009 and conclude December 2009
- Additional program staff for development and implementation will begin July 2009 and continue throughout the duration of the project.
- Additional program staff for backlog cleanup will begin for returns January 2010 and July 2010 for collections correspondence.

I. RECOMMENDATION

Alternative 1 is recommended. This alternative provides the most efficient and effective solution to meeting the requirements and planning for the return processing reengineering effort. This is the most desirable alternative to minimize costs and risks and maximize revenue and benefits of the EDR project.