NASWA and the ICON PROJECT

UI-ICON MODERNIZATION STRATEGY

❑ **All States accommodated—adequate transition windows to get the job done**

- **Design based on open standards**
- **Leverage technology evolution**
- **Build platform/product independence and interoperability**
- **Emphasize flexible technology**
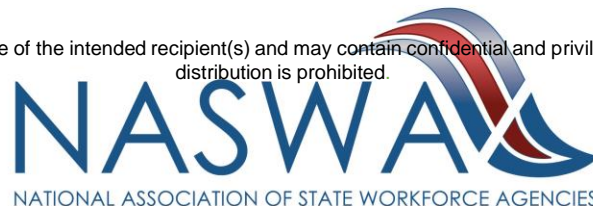- **Support evolving technology integration**

❑ **Emphasize cost containment and reduction**

- **Concerns about high cost and limited funding for change—modernization and ongoing maintenance of current applications**

NASWA
NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES

UI-ICON Modernization Strategy (cont)

- Leverage related technologies as applicable (e.g. SAR, SIDES, etc.)

- Maintain State System Data Exchange Standards

- Continue Policy that UI-ICON is a "receive and forward" function, not a data storage

- Accommodate increased diversity in state architectures

- Incremental and phased development

NASWA

NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES

ICON Project FAQs

- **What is the amount expended annually on the Conduent (formerly Xerox) contract?** The current amount is $7,443,260. This funding comes from a combination of fund sources– UI National Activities for UI activities and One-Stop & Dislocated Worker TAT for WRIS/SWIS.

- **What is the exact date of the end of the current two-year extension of the Conduent contract?** February 1, 2020

- **Maryland has a contract with Angarai for PM Services. What is this amount and the associated dates?** The contract is in the amount of $1,772,125 and the associated dates are 06/13/2016 – 06/06/2020.

- **Maryland has a contract with CSG for IV&V work. What is the amount and the associated dates?** The contract is in the amount of $344,800 and the associated dates are 03/01/2017 – 02/28/2019.

- **What is the amount of administrative funding Maryland receives from USDOL?** The current amount is $100,000/year.

NASWA
NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES

NASWA and the ICON Project

Activities since the February Board meeting:

- USDOL is working on directly sourcing NASWA to manage ICON and the RFP process – key to the project.

- NASWA provided USDOL ETA an estimate to assume ICON management estimated at $600,000 per year. It also provided an estimate to manage the RPF process to modernize ICON and implement in the states at roughly $650,000 per year.

- USDOL has issued a letter of intent to cover NASWA services for managing ICON and RFP for $1 million.

NASWA

NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES

JUN 0 4 2018

Again, thank you for your partnership in helping secure the future of this important resource to the UI and workforce systems. We look forward to finalizing an approach later this year.

Scott Sanders, Executive Director
National Association of State Workforce Agencies
444 North Capitol Street, N.W.
Suite 300
Washington, D.C. 20001

Sincerely,

Gay M. Gilbert
Administrator

Dear Scott:

Many thanks to you and Ellen Golombek and the National Association of State Workforce Agencies (NASWA) and its Center for Employment Security Education and Research (CESER) Board of Directors for working collaboratively with the Employment and Training Administration (ETA) and the State of Maryland Department of Labor, Licensing, and Regulation (DLLR) to identify a path forward for managing the Interstate Connection Network (ICON). ICON, as you are aware, is a critical information hub serving a variety of mission critical functions for Unemployment Insurance (UI) programs, the workforce programs under the Workforce Innovation and Opportunity Act, and others.

We have jointly determined that states are no longer well situated or have the capacity to support management of ICON, as it has grown in its number and complexity of applications, and because there is a need to modernize it moving forward. NASWA/CESER, with its mission to provide states with quality services, is positioned to take on this role. Bringing ICON under NASWA/CESER management will offer a great opportunity to leverage other similar NASWA/CESER activities, staff, and infrastructure, such as the State Information Data Exchange System (SIDES) and the Integrated Data Hub being developed by the UI Integrity Center.

We understand that taking on this responsibility will require additional NASWA/CESER staff and other administrative resources to effectively support ongoing management of ICON and its modernization. Pending either the modification of DLLR cooperative agreement to transfer these responsibilities to NASWA or ETA's receipt of approval for a cooperative agreement directly with NASWA and the NASWA Board's official approval for NASWA/CESER taking on this role, it is ETA's intent to provide up to $1,000,000 for the first year following execution of the necessary agreements, to support NASWA/CESER's work to manage ongoing ICON operations, and to support staff working on the ICON modernization project. As you are aware, the costs associated with supporting modernization are not fully known yet. Therefore, ETA is committed to working with NASWA/CESER to better assess those costs and to provide funding to cover them moving forward, including in the first year if necessary. Similar to our funding for SIDES and the UI Information Technology Support Center, we propose doing an annual reassessment and negotiation of NASWA/CESER's costs that require ETA funding.

AGENCIES

NASWA and the ICON Project

Steps for NASWA's involvement:

- By June 30, 2018, USDOL ETA, MD and NASWA need a cooperative agreement outlining NASWA's short term role until the Conduent contract can be negotiated, executed, and transferred to NASWA. CO-OP would run through September 30, 2018. Board approval needed.

- NASWA executes contract with Conduent for services through February 2020 and beyond with annual renewals so modernized system can be implemented.

- NASWA would submit 424 forms to USDOL for funding and paying ICON for their services.

NASWA
NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES

NASWA and the ICON Project

Next Steps (cont.):

- NASWA would create an ICON team, leveraging current staff and hiring the necessary personnel.

- The NASWA UI IB Subcommittee would provide input and direction regarding ICON's functionality (as they do today) and we will request that travel reimbursements from grant be allowed.

- ICON management and modernization would continue under NASWA including reviewing the use of Anagari (current Project Manager) and CSG (IV&V vendor). These contracts are currently with MD.

NASWA and the ICON Project

Timing is critical to the project NASWA to take over from Maryland to manage the project.

The RFP process would need to begin ASAP in order to gather requirements, put an RFP together, receive bids and do evaluations.

ICON and SIDES both use Conduent as their vendor and NASWA would manage both. There may be the potential for leveraging the contracts.

NASWA
NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES

DISCUSSION