

EXIGEN® SERVICES: CASE STUDY

DEVELOPMENT OF CENTRAL
TRANSACTION PROCESSING
AND E-BANKING SYSTEMS
FOR THE TREASURY
OF THE REPUBLIC OF LATVIA

"The State Budget Information System supports one of the most critical functions of the Treasury of the Republic of Latvia. For this reason, the system must meet high standards for data security and performance. Exigen Services has proven itself to be a reliable partner, performing assigned tasks on time while meeting our high expectations for quality."

*Maris Klimavicius,
Treasury IT Department
Deputy Director*

ABOUT THE TREASURY OF THE REPUBLIC OF LATVIA

The Treasury of the Republic of Latvia is responsible for the administration of public finances on the national level. The Treasury oversees the government's budget execution, is responsible for managing government debt, and for processing European Union transactions. The Treasury is directly subordinated to the Latvian Ministry of Finance.

BUSINESS CHALLENGE

Back in the late 1990s, the Treasury had an outdated financial transactions system that offered limited functionality. It was clear that the system could not be enhanced to meet the Treasury's full range of requirements, and could not handle an ever increasing number of transactions. The Treasury required a modern distributed database to support the execution of the national budget and to ensure that this process is effectively monitored and controlled. A system was required to support efficient processing of transactions between the national government and local governments, the exchange of information between the central database and local databases, clearing of payments between state institutions, preparing funding plans for government institutions, and quickly adapting to changes in legislation.

Exigen® Services (previously, Exigen Services DATI) was asked to execute this multi-year project, which involved system design, development, and maintenance. A major challenge faced by Exigen Services was the ongoing changes in Latvian finance and budget legislation. These affected the system being developed, and required a high degree of flexibility on the part of the development team. Another challenge was developing a widely distributed system, and ensuring the integration and interoperability of all databases. The project team faced changing requirements and tight deadlines, but, in close cooperation with the customer, all of these issues were successfully resolved.

SOLUTION DELIVERED

The State Budget Information System provides all required functionality, including efficient monitoring and control of budget execution and the opportunity to service major clients. The delivered solution is based on a high performance Oracle technology. The size of the central database is approximately 105 GB, and contains more than 90 million records. The system provides online information to all authorized users while complying with the Latvian Personal Data Protection law.

Within the framework of this project, an e-Banking subsystem was developed and went into operation in 2004.

The new version of e-Banking system went into operation in 2010 providing new design, functionality, reliability and security standards.





Within e-Banking system an interface with SAP was developed and deployed. The system was enhanced with a centralized user repository and centralized access point to all Treasury's eServices providing multi-factor authentication with single sign-on (such as RSA SecureID, Code Cards, Digital Signature (eSignature), X.509 certificates, username and password, IP address control). The size of the e-Banking database is approximately 100 GB, and contains more than 45 million records.

The project scope was expanded with a specialized State Budget Automated Message Exchange system. This system delivers account information to clients of the Treasury using web-service with x.509 certificate authentication and data encryption.

IMPACT ON BUSINESS

The State Budget Information System supports pension payments. This was a major money-saver for the Latvian government, which previously paid commissions to commercial banks to process hundreds of thousands of pension payments each month. Using the eBanking-based State Budget Information System, the government can now directly deposit pensions in recipient accounts.

The new e-Banking system allows customers to process payments via the Internet, as well as view account statements, balance reports, and financial plans. Thanks to this system, citizens of Latvia can process their payments using state-of-the-art technology. As a result of the new pension payment functionality in the State Budget Information System, the number of transactions processed monthly using the system more than doubled. The e-Banking has lower operational and transactional costs than do legacy systems. The State Budget Information System saves the government money while ensuring the efficiency of the Treasury, an institution that affects the lives of citizens nationwide.

TECHNOLOGIES

State Budget Information System - Oracle 9i Enterprise Edition, Oracle Forms and Reports 6i e-Banking subsystem - Oracle Application Server 10.1.3, Oracle Reports 10g, Oracle Database 10g Enterprise Edition, Oracle Access Manager 10.1.4, Oracle Internet Directory 10g

State Budget Automated Message Exchange System (automated preparation of account information for Treasury customers) - Oracle Database 11g Enterprise Edition, Oracle Application Server 10.1.3, Oracle Access Manager 10.1.4

ABOUT EXIGEN® SERVICES

Exigen Services is an Inc. 5000 global IT company that provides a lower risk alternative to conventional application outsourcing. The company combines advanced development methodologies with value-based project governance and performance-based contracts to mitigate outsourcing risks and provide a higher return on IT project investments.



Since 2000, Exigen Services has been a global leader in the use of distributed Agile methods for rapid and precise systems development throughout the banking, insurance, brokerage, healthcare, telecommunications, government and media industries.

Exigen Services has achieved high honors in a variety of independent lists and rankings, including Brown & Wilson's *Black Book of Outsourcing in 2008* and the Global Services 100 ranking in 2009.

Clients range from mid-sized growth companies to Fortune 500 organizations, and include Sun Microsystems, CSC, T-Mobile, Westpac Bank and many others.

CORPORATE
HEADQUARTERS
345 California Street,
22nd Floor, San Francisco,
CA 94104 USA
+1 415 402 2600

sales@exigenservices.com
Phone: +7 812 327 9900

Anastasia Novoseltseva,
Global marketing communica-
tions director, Exigen Services

For information
on Exigen Services call your local
worldwide sales, service and
technical support offices:
www.ExigenServices.com

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