

State of California

Department of Social Services



County Expense Claim Reporting Information System

(CECRIS)

Special Project Report

January 2015

Table of Contents

Table of Contents.....	2
1.0 Executive Project Approval Transmittal	5
1.1 IT Accessibility Certification	6
2.0 Information Technology: Project Summary Package	7
2.1 Executive Summary	7
2.2 Project Contacts	10
2.3 Project Relevance to State and/or Agency/State Entity Plans	11
2.4 Budget Information	12
2.5 Vendor Project Budget	13
2.6 Risk Assessment	14
3.0 Proposed Project Change	15
3.1 Project Background.....	15
3.1.1 Business Program Supported by this Proposal	16
3.1.2 Business Problems and Objectives.....	18
3.1.3 S-M-A-R-T Objectives.....	19
3.1.4 Cost Savings.....	22
3.1.5 Value-Added Activities	22
3.1.6 Cost Avoidance and Efficiency Objectives	22
3.1.7 Stakeholders of the Business Program/Process	23
3.2 Project Status	24
3.3 Reason for Proposed Project Change.....	26
3.3.1 Request for Information (RFI) Review	26
3.3.2 Assessment of Similar State Transfer Systems.....	28
3.3.3 Reason for Solution Change	32
3.3.4 Reason for Staffing Change.....	33
3.3.5 Reason for Project Schedule Changes	33
3.4 Proposed Project Change.....	34
3.4.1 Proposed Solution Changes	34
3.4.2 Proposed Procurement Strategy Changes.....	36
3.4.3 Proposed Schedule Changes	37
3.4.4 Proposed Staffing Model Changes.....	38
3.4.5 Proposed Budget Changes	39
3.4.6 Impact of Proposed Change on the Project.....	40
3.4.7 Feasible Alternatives Considered.....	41
3.5 Implementation Plan	42
3.5.1 Implementation Plan for the Proposed Solution	42
3.5.2 Implementation for the Revised Schedule.....	42
3.5.3 Implementation Plan for the Revised Budget	43
3.5.4 Implementation Plan for the Revised Staffing Model	43
3.6 Preventing Future Recurrence	43
3.6.1 Project Schedule.....	43
3.6.2 Resources Added	44
3.6.3 Vendors Added	44
4.0 Updated Project Management Plan	45
4.1 Project Manager Qualifications	45
4.2 Project Management Methodology.....	45
4.3 Project Organization	46
4.4 Project Priorities.....	47
4.5 Project Plan	47
4.5.1 Project Scope	47

4.5.2	Project Assumptions	48
4.5.3	Project Phasing.....	48
4.5.4	Project Roles and Responsibilities	49
4.5.5	Project Schedule.....	57
4.6	Project Monitoring and Oversight	57
4.7	Project Quality	58
4.8	Change Management	58
4.9	Authorization Required	58
5.0	Updated Risk Management Plan	59
5.1	Risk Register	59
6.0	Updated Economic Analysis Worksheets	61

1.0 Executive Project Approval Transmittal

Information Technology Project Request

Special Project Report
Executive Approval Transmittal



Agency/state entity Name

California Department of Social Services

Project Title (maximum of 75 characters)

County Expense Claim Reporting Information System

Project Acronym

CECRIS

FSR Project ID	FSR Approval Date	State entity Priority	Agency Priority
5180-153	02/14/2012	2	

I am submitting the attached Special Project Report (SPR) in support of our request for the California Department of Technology's approval to continue development and/or implementation of this project.

I certify that the SPR was prepared in accordance with the State Administrative Manual Sections 4945-4945.2 and that the proposed project changes are consistent with our information management strategy as expressed in our current Agency Information Management Strategy (AIMS).

I have reviewed and agree with the information in the attached Special Project Report.

I also certify that the acquisition of the applicable information technology (IT) product(s) or service(s) required by my department that are subject to Government Code 11135 applying Section 508 of the Rehabilitation Act of 1973 as amended meets the requirements or qualifies for one or more exceptions (see following page).

APPROVAL SIGNATURES

Chief Information Officer		Date Signed
<i>Karen Cagle</i>		<i>1/15/16</i>
Printed name: Karen Cagle		
Budget Officer		Date Signed
<i>Lilia Young</i>		<i>1/15/2016</i>
Printed name: Lilia Young		
Department Director		Date Signed
<i>Will Lightbourne</i>		<i>1/15/16</i>
Printed name: Will Lightbourne		
Agency Chief Information Officer		Date Signed
<i>Amy Tong</i>		<i>1/15/16</i>
Printed name: Amy Tong		
Agency Secretary		Date Signed
<i>Diana S. Dooley</i>		<i>1/15/16</i>
Printed name: Diana S. Dooley		

1.1 IT Accessibility Certification

Yes or No

Yes	The Proposed Project Meets Government Code 11135 / Section 508 Requirements and no exceptions apply.
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Exceptions Not Requiring Alternative Means of Access

Yes or No	Accessibility Exception Justification
No	The IT project meets the definition of a national security system.
Yes	The IT project will be located in spaces frequented only by service personnel for maintenance, repair, or occasional monitoring of equipment (i.e., "Back Office Exception").
No	The IT acquisition is acquired by a contractor incidental to a contract.

Exceptions Requiring Alternative Means of Access for Persons with Disabilities

Yes or No	Accessibility Exception Justification
No	Meeting the accessibility requirements would constitute an "undue burden" (i.e., a significant difficulty or expense considering all agency resources). Explain: Describe the alternative means of access that will be provided that will allow individuals with disabilities to obtain the information or access the technology.
Yes	No commercial solution is available to meet the requirements for the IT project that provides for accessibility. Explain: Describe the alternative means of access that will be provided that will allow individuals with disabilities to obtain the information or access the technology.

Exceptions Requiring Alternative Means of Access for Persons with Disabilities

Yes or No	Accessibility Exception Justification
Yes	No solution is available to meet the requirements for the IT project that does not require a fundamental alteration in the nature of the product or its components. Explain: Describe the alternative means of access that will be provided that will allow individuals with disabilities to obtain the information or access the technology.

INFORMATION TECHNOLOGY PROJECT SUMMARY PACKAGE
SECTION A: EXECUTIVE SUMMARY

2.0 Information Technology: Project Summary Package

2.1 Executive Summary

1.	Submittal Date	12/8/2015
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		SPR	PSP Only	Other:
2.	Type of Document	X		
	Project Number	5180-153		

			Estimated Project Dates	
3.	Project Title	County Expense Claim Reporting Information System	Start	End
	Project Acronym	CECRIS	2/14/2012	3/21/2019

4.	Submitting Agency/state entity	Department of Social Services
5.	Reporting Agency/state entity	Health and Human Services Agency

6.	Project Objectives
<p>The goal of CECRIS is to develop and implement an automated solution that replaces the current County Expense Claim (CEC) and County Assistance Claim (CA 800) systems and processes. While the overall business needs remain consistent with SPR 1, this SPR 2 streamlines the objectives and presents them as specific, measurable, achievable, realistic and timed (S-M-A-R-T) objectives. In addition to the S-M-A-R-T objectives, and as a result of a more thorough analysis of the current California Department of Social Services (CDSS) business environment, this SPR 2 also includes cost avoidances and process efficiencies (detailed in Section 3.1.6).</p> <p>The primary CECRIS Project goals are:</p> <ol style="list-style-type: none"> 1. Provide a single integrated system that supports end-to-end processing of the CEC and CA 800 processes to fully meet the business needs. 2. Create a flexible and expandable system to accommodate federal and state mandated modifications and reporting requirements. 3. Comply with federal and state program guidelines and standard accounting principles. 4. Comply with state IT and security standards. 5. Meet the CECRIS S-M-A-R-T objectives. 	

7.	Proposed Solution
<p>The proposed solution in this SPR 2 will continue to meet the business and technical requirements without a change in scope from SPR 1. In SPR 1, CDSS sought to pursue a custom system, Modified off-the-Shelf (MOTS) or Commercial off-the-Shelf (COTS) through a developer contracted through the Request for Proposal (RFP) process. The CDSS then conducted a Request for Information (RFI), which yielded a more realistic COTS/MOTS solution, hereby referred to as Alternative 1. Thereafter, the project was paused starting July 2014 to perform an assessment of other potentially viable systems within the California Health and Human Services Agency (CHHS). Although the activities conducted by the project team during the pause did not result in the identification of any solutions that would meet the business needs, the analysis process led to the development of the proposed solution detailed in this SPR 2. The Project was temporarily suspended, effective December 2014, to provide CDSS the opportunity to evaluate the new solution, and re-plan and document the proposed solution and approach.</p> <p>For SPR 2, the proposed solution is the most efficient and cost effective solution that will provide a quality end-to-end system fully meeting the business needs. The CDSS proposes utilizing a Master Service Agreement (MSA) vendor in tandem with internal resources to migrate validated business rules to a claiming system that leverages and builds upon existing CDSS shared Enterprise technology components. The proposed custom system takes advantage of the existing CA 800 and CEC business processes.</p>	

8.	Major Milestones	Est Complete Date
	Project Management Plans Updated	April 18, 2016
	Implementation Advanced Planning Document Approval	October 5, 2016
	Procurement – Organizational Change Management (OCM)	July 8, 2016
	Procurement – Solution Vendor (SV)	September 8, 2016
	Procurement – Financial Systems Auditor	October 20, 2016
	To-Be End-To-End Process Analysis/Requirements	October 3, 2016

Business Requirement Validation	January 5, 2017
System Design	April 4, 2017
System Development	March 26, 2018
Testing (Integration & User Acceptance Testing)	August 1, 2018
Pilot Rollout	December 28, 2018
Full Rollout	January 30, 2019
Project Closeout	March 21, 2019
Post Implementation Evaluation Report (PIER)	June 12, 2020
Key Deliverables	
Project Management Plans	April 18, 2016
Implementation Advanced Planning Document	October 5, 2016
Solution Vendor Contract Award	September 8, 2016
BizTalk Deployment	June 6, 2016
To-Be End-To-End Process	October 3, 2016
System Design	April 4, 2017
Final Solution	January 30, 2019
Knowledge Transfer Documentation	January 30, 2019
Project Close Out Artifacts	March 21, 2019
Post Implementation Evaluation Report (PIER)	June 12, 2020

**INFORMATION TECHNOLOGY PROJECT SUMMARY PACKAGE
SECTION B: PROJECT CONTACTS**

2.2 Project Contacts

Project #	5180-153
Doc. Type	SPR

Executive Contacts							
	First Name	Last Name	Area Code	Phone #	Area Code	Fax #	E-mail
Agency Secretary	Diana S.	Dooley	916	654-3454			Diana.Dooley@chhs.ca.gov
State Entity Director	Will	Lightbourne	916	657-2598	916	651-6569	Will.Lightbourne@dss.ca.gov
Budget Officer	Lilia	Young	916	654-0713	916	654-0877	Lilia.Young@dss.ca.gov
CIO	Kären	Cagle	916	654-1039	916	651-8280	Kären.Cagle@dss.ca.gov
Project Sponsor	Brian	Dougherty	916	654-0713	916	654-0877	Brian.Dougherty@dss.ca.gov

Direct Contacts							
	First Name	Last Name	Area Code	Phone #	Area Code	Fax #	E-mail
Doc. prepared by	Martha	Arana	916	654-1402			Martha.Arana@dss.ca.gov
Primary Contact	Steve	Li	916	651-5568			Steven.Li@dss.ca.gov
Project Manager	Steve	Li	916	651-5568			Steven.Li@dss.ca.gov

INFORMATION TECHNOLOGY PROJECT SUMMARY
SECTION C: PROJECT RELEVANCE TO STATE AND/OR DEPARTMENTAL PLANS

2.3 Project Relevance to State and/or Agency/State Entity Plans

1.	What is the date of your current Technology Recovery Plan (TRP)?	Date	7/2015
2.	What is the date of your current Agency Information Management Strategy (AIMS)?	Date	8/2014
3.	For the proposed project, provide the page reference in your current AIMS and/or strategic business plan.	Doc.	AIMS
		Page #	30

Project #	5180-153
Doc. Type	SPR

		Yes	No
4.	Is the project reportable to control agencies?	X	
If YES, CHECK all that apply:			
X	a) The project involves a budget action.		
	b) A new system development or acquisition that is specifically required by legislative mandate or is subject to special legislative review as specified in budget control language or other legislation.		
X	c) The estimated total development and acquisition costs exceed the Department of Technology's established Agency/state entity delegated cost threshold and the project does not meet the criteria of a desktop and mobile computing commodity expenditure (see SAM 4989 – 4989.3).		
	d) The project meets a condition previously imposed by the Department of Technology.		

**INFORMATION TECHNOLOGY PROJECT SUMMARY PACKAGE
SECTION D: BUDGET INFORMATION**

2.4 Budget Information

Project #	5180-153
Doc. Type	SPR

Budget Augmentation Required?												
No												
Yes	X		If YES, indicate fiscal year(s) and associated amount:									
			FY	2011-16	FY	2016-17	FY	2017-18	FY	2018-19	FY	2019-20
			\$0		\$440,000		\$386,000		\$378,000		\$378,000	

PROJECT COSTS

1. Fiscal Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	TOTAL
2. One-Time Cost	\$48,689	\$134,188	\$718,167	\$91,226	\$776,041	\$2,799,194	\$3,059,528	\$2,205,102	0	\$9,832,135
3. Continuing Costs								\$189,104	\$561,854	\$750,958
4. TOTAL PROJECT BUDGET	\$48,689	\$134,188	\$718,167	\$91,226	\$776,041	\$2,799,194	\$3,059,528	\$2,394,206	\$561,854	\$10,583,093

PROJECT FINANCIAL BENEFITS

	Fiscal Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	TOTAL
5.	Cost Savings/Avoidances	0	0	0	0	0	0	0	0	0	0
0	Revenue Increase	0	0	0	0	0	0	0	0	0	0

**INFORMATION TECHNOLOGY PROJECT SUMMARY PACKAGE
SECTION F: RISK ASSESSMENT INFORMATION**

Vendor Cost for SPR Development (if applicable)	\$
Vendor Name	

Project #	5180-153
Doc. Type	SPR

2.5 Vendor Project Budget

1. Fiscal Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	TOTAL
2. Primary Vendor Budget					\$773,232	\$1,039,976	\$773,232	0	\$2,577,440
3. Independent Oversight Budget				\$112,560	\$112,560	\$112,560	\$84,420	0	\$422,100
4. IV&V Budget		\$51,625	\$11,625	\$60,000	\$120,000	\$120,000	\$90,000	0	\$453,250
5. Other Budget	\$14,008	\$225,947	\$79,602	\$77,171	\$451,700	\$298,000	\$266,200	0	\$1,412,628
6. TOTAL VENDOR BUDGET	\$14,008	\$277,572	\$91,227	\$249,731	\$1,457,492	\$1,561,536	\$1,213,852	0	\$4,865,418

PRIMARY VENDOR HISTORY SPECIFIC TO THIS PROJECT

7. Primary Vendor	
8. Contract Start Date	
9. Contract End Date (projected)	
10. Amount	\$

PRIMARY VENDOR CONTACTS

	Vendor	First Name	Last Name	Area Code	Phone #	Ext.	Area Code	Fax #	E-mail
11.									
12.									
13.									

Project #	5180-153
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INFORMATION TECHNOLOGY PROJECT SUMMARY PACKAGE
SECTION F: RISK ASSESSMENT INFORMATION

Doc. Type	SPR
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2.6 Risk Assessment

	Yes	No
Has a Risk Management Plan been developed for this project?	X	

General Comment(s)
Risk and Issue Assessment/Management is accomplished utilizing CA-PMM guidelines and includes five processes: identify, analyze, plan, implement and track and control. The Project Manager involves the entire Project Team to identify risks by conducting activities such as brainstorming sessions and team member interviews. Information from schedule management activities is also used to identify risks. Risks are monitored and controlled by the Risk Manager using the Risk Register that is maintained in SharePoint. Risk owners develop detailed action plans to implement risk mitigation strategies. The Project Manager then assesses the risk to determine if the mitigation strategy is appropriate for the severity of the risk. If needed, risk mitigations, contingencies and measurements will be revised based on the review. The Risk Register is reviewed weekly and updated as needed; it is used to monitor high and medium risks at the weekly risk/issues meetings. Any high and medium risks will continue to be reviewed quarterly with the Executive Steering Committee.

3.0 Proposed Project Change

The County Expense Claim Reporting Information System (CECRIS) Project is submitting this Special Project Report (SPR) 2 to report changes to the project schedule and cost, and to provide a discussion of the proposed solution. Due to the length of time elapsed and changes in planning since the projects inception, the Project Team performed an analysis of the progression of changes to the project's plans and strategies from the 2007 Feasibility Study Report (FSR) through this SPR 2. This SPR 2 reconciles project approaches and solutions presented since the original FSR with the Department's current proposed solution and is meant to serve as the new project baseline.

The proposed solution in this SPR is the most efficient and cost effective solution to provide a quality end-to-end system that fully meets the business needs. After SPR 1 was approved, further analysis determined the costs of its recommended Commercial off-the-Shelf/ Modified off-the-Shelf (COTS/MOTS) solution would have more realistically been \$14.8 million, versus the \$7.7 million originally estimated in SPR 1, and the project timeline would have been about a year longer. Although the total project cost is \$10.6 million in SPR 2 (leverages existing enterprise components), which is moderately higher than SPR 1, it is more cost effective than the \$14.8 million price tag of the COTS/MOTS solution. The detailed budget of the COTS/MOTS solution is included in SPR 2 as the Alternative 1, and further described in Section 3.3.

3.1 Project Background

The SPR 1, approved in January of 2013, detailed the reasons for combining the County Expense Claim (CEC) and the County Assistance Claim (CA 800) into a single integrated system that supports automated end-to-end processes for both claiming systems. The SPR 1 described project delays and the plans for moving forward with a revised budget and schedule projections.

Activities performed from the initial FSR through approval of the SPR 1 included:

- December 2007 – The Department of Finance (DOF) approved the CECRIS FSR to replace the CEC system. The anticipated project completion date was January 31, 2011; however, funding was delayed for the project due to the state's fiscal economic downturn.
- Fiscal Years 2008-09 through 2010-11 – Requests for CECRIS funding to replace the CEC system were submitted to DOF and were subsequently denied due to budget constraints until Fiscal Year (FY) 2010-11.
- January through December 2011 – Due to the length of time that had passed since the original FSR approval in 2007, the California Technology Agency (CTA) requested that CDSS prepare a revised CECRIS FSR. The revised (CEC only) FSR was submitted to CTA and included a project schedule accounting for the time lost due to the funding delay. During 2011, the Department also began preparation of a separate FSR for the County Assistance Reimbursement System (CARS) to replace the CA 800 system.
- October of 2011 – CDSS requested an exemption from CTA to go forward with the CECRIS Project on the premise that the System would not duplicate Financial Information System for California (FI\$Cal) functionality. The FI\$Cal granted the exemption with the request that CDSS design their replacement system so that the standard accounting functionality can be captured in FI\$Cal and not duplicated in the replacement system.
- February 2012 – The CTA approved the revised FSR for the CECRIS (CEC only) Project.

- March 2012 – The CDSS began the Request for Offer (RFO) process to secure an Acquisition Support Vendor for the CECRIS system. The first solicitation resulted in no responses.
- May through July 2012 – Work began on the revisions to the RFO for a second solicitation to secure an Acquisition Support Vendor. The Department of General Services (DGS) requested that CDSS demonstrate that state staff was not available to perform this activity. The CDSS solicited 14 other departments, including Office of Systems Integration (OSI), for staff to provide acquisition support. No departments were able to provide staff for this activity within the timelines of the project.
- July 2012 – The CDSS began discussions with California Health and Human Services (CHHS) regarding the submittal of the CARS FSR for the CA 800 system. It was agreed that the best approach would be to leverage efforts planned for CECRIS and merge the CEC and CA 800 Projects into one. Subsequent work on the RFO vendor solicitation was stopped pending the disposition by CTA on this approach.
- October 2012 – The CDSS submitted CECRIS SPR 1 for the combined CEC and the CA 800 processes to CTA for review and approval.
- January 2013 – The CECRIS SPR 1 was approved and funded.

3.1.1 Business Program Supported by this Proposal

The CDSS Fiscal Systems and Accounting Branch (FSAB) within the Administration Division is responsible for the financial oversight and fiscal integrity of the accounting and reporting of data for the public assistance programs for the State of California. These public assistance programs are state-supervised but county-administered through the County Welfare Departments (CWDs).

Description of Current Business Process and Limitations

The claiming processes used to distribute funding to the counties of California are detailed below:

- CEC – Approximately \$8 billion of federal and non-federal funds are claimed through the CEC by CWDs throughout the year to reimburse administrative and services costs incurred during the course of administering the public assistance programs in the state. The CEC collects CWD employee time study information, which is used to allocate costs to benefiting programs pursuant to the federally approved County Cost Allocation Plan (CCAP), to meet federal reporting requirements and to collect funding from other state departments.
- CA 800 – Approximately \$6 billion of federal and non-federal funds are utilized annually to provide assistance payments to recipients of programs such as California Work Opportunity and Responsibility to Kids (CalWORKs), Foster Care, Adoption Assistance and other public assistance programs throughout the state. On a monthly basis, the CA 800 is used by CWDs to claim reimbursement for assistance costs paid to beneficiaries of the various public assistance programs.

Both the CEC and CA 800 processes change frequently in order to comply with increasingly complex state and federal fiscal reporting mandates, programmatic changes enacted by legislation and changes to the federally approved CCAP for both the CWDs and CDSS. Because the data is not contained in a central repository and cannot effectively support program functions, error prone manual workarounds must be utilized to fulfill federal and state

requirements and business needs. Furthermore, the current systems are difficult to maintain because of the outdated and unsupported software detailed below.

The CEC System

The CEC system consists of a stand-alone application utilizing FoxPro version 5.0a released in 1997, Microsoft (MS) Access databases, MS Excel spreadsheets and manual workarounds to process the CWD claims. The CDSS staff makes any necessary changes to CEC FoxPro templates and provides the templates to CWDs on a secure extranet. The CWDs download the CEC template for the data entry of administrative and services expenditures incurred. When completed, each CWD uploads their claim via the extranet for review/audit by CDSS staff. Multiple versions of a claiming period are completed through this process (e.g., Original, Adjustment and Closeout). The CDSS staff downloads the claim and performs manual audits to validate costs, compares the claim data against historical data and determines the appropriate reimbursement amounts for each county based on a reconciliation of prior funds advanced to that county.

Limitations of the CEC Process

The CEC process is reliant upon a legacy system that lacks scalability and results in ongoing issues regarding supportability, security, incomplete business functionality, lengthy data input and update cycles, error prone manual workaround processes and limited federal and state reporting functionality that could result in data inaccuracy and lack of fiscal integrity. The core of the CEC system is a FoxPro application designed for the specific purpose of collecting county claim data and producing state and federal reports. Because Microsoft no longer supports FoxPro application, updates and enhancements are unavailable.

Examples of current CEC system limitations are:

- 1) The system lacks scalability due to its technical design. As a result, system modifications or enhancements needed to meet federal and state statutory and/or regulatory changes cannot be achieved in a timely manner. Prior attempts to modify the system to provide enhanced cost tracking failed integration testing and resulted in the addition of manual workarounds. The lack of scalability, compounded by the fact that Microsoft no longer supports the FoxPro application, illuminates the fragility of the system.
- 2) The system does not provide for data validation at the time of CWD data entry. This results in delays as errors are not detected until the claim is validated or audited.
- 3) The system lacks a centralized data repository.
- 4) The system lacks automated claim audit and audit trail functionality resulting in a labor intensive manual audit process.
- 5) The system was not designed for concurrent processing of expense claims for different claiming periods. Previous attempts to process an adjusted claim for one quarter and an original claim for another quarter resulted in report data commingling.
- 6) The system lacks the ability to incorporate automated tracking of each county's Advance Planning Documents (APDs) by individual project number for validation of expenditures, and therefore does not meet federal reporting requirements.

The CA 800 System

The CA 800 system is a stand-alone system that is a combination of business processes that utilize MS Access databases, MS Excel spreadsheets and manual workaround activities to process the CWD claims. The CDSS staff updates the claim templates as needed and makes them available to the CWDs on a secure extranet. The CWDs download the templates for manual data entry of assistance claim data. When completed, the CWDs submit the claims to CDSS via email; claims are audited as they are received by CDSS. Once all claims have been audited, state and federal reports are generated.

Limitations of the CA 800 Process

Business problems with the CA 800 process have accumulated over the years. The most significant issue is the system's lack of ability to support automated end-to-end claim processing. Many manual processes were added in response to the growth of public assistance programs, federal requirements for additional fiscal detail and expanded reporting requirements. The CA 800 system is now a patchwork of sub-systems that creates an inherent dependence on substantial manual intervention, computation and transfer of data to complete the full cycle of data collection, audit, state and federal reporting and authorization of funding to counties.

Examples of the current CA 800 system limitations are:

- 1) The system database lacks scalability due to its technical design. As a result, database modifications needed to meet federal and state statutory and/or regulatory changes result in the addition of manual workarounds that increase the complexity of the CA 800 system and the risk of data errors. Additionally, migration to newer versions of MS Office applications is delayed due to the additional effort required to test legacy systems for compatibility.
- 2) Because additional workbooks cannot be added to the automated MS Access database, the system does not meet the federal guidelines of an end-to-end system and extensive manual reconciliation is required to meet reporting requirements.
- 3) The system was designed for manual input by CWDs and lacks the ability to accept data in Extensible Markup Language (XML) format. Submission errors that occurred during manual input are not identified until later during claim audit. This results in delays to claim processing.
- 4) The system lacks a centralized data repository. This results in the inability to produce ad hoc reports, interim reports and a consolidated report to meet all federal reporting requirements.
- 5) The system was designed only to gather claim data from CWDs and lacks automated claim audit and audit trail functionality. Therefore, labor intensive manual processes are used to audit claims.

3.1.2 Business Problems and Objectives

The business problems associated with the lack of an end-to-end claiming system continue to evolve due to the system's existing limitations and increased reliance on staff to perform error prone manual workarounds. In addition, the absence of a systematic process to ensure consistent treatment of costs, procedures, methodologies, policies and regulations, puts the Department at the risk of loss of funds due to non-compliance with state and federal reporting requirements and accounting principles.

In SPR 1, the business problems and objectives for the CEC were stated separately from those of the CA 800. This continues in SPR 2, with the exception of the problem and objectives with regard to reporting; these have been consolidated as state and federal reporting contain data from both the CEC and CA 800 programs. Also, the SPR 1 stated problems and objectives resulting in personnel savings for CWD staff. Since the state has no means of reliably measuring this metric or requiring county administration to provide measurement of these efficiencies, they do not meet Specific, Measurable, Achievable, Realistic and Time-bound (S-M-A-R-T) criteria and are not included in this SPR. Finally, the objectives have been revised to present them in S-M-A-R-T format. In addition to the S-M-A-R-T objectives, and as a result of a more thorough analysis of the current CDSS business environment, value-added activities, cost avoidances and process efficiencies are also listed.

The proposed solution will address the major business problems challenging CDSS with its current CEC and CA 800 systems:

- Provide a single integrated system that supports end-to-end processing of the CEC and CA 800 processes.
- Create a flexible and expandable system to accommodate federal and state mandated modifications and reporting requirements.
- Provide an automated system that will comply with federal and state program guidelines and Generally Accepted Accounting Principles (GAAP).
- Comply with state IT and security standards.

3.1.3 S-M-A-R-T Objectives

Table 1.0 – S-M-A-R-T Objectives by Business Problem identifies key objectives for the project along with the approach and metrics to evaluate the performance of the project in meeting the objectives. The impact of the Proposed Solution on the business objective will allow users to better utilize resources by allowing for the redirection of FSAB staff to perform value-added federal fiscal oversight activities.

TABLE 1.0 – S-M-A-R-T OBJECTIVES BY BUSINESS PROBLEM

Business Problem One				
Critical CA 800 workflow components are not automated and result in low staff productivity from manual workarounds.				
Corresponding S-M-A-R-T Objectives				
Objective 1.1 - Reduce the average hours per quarter required for FSAB CA 800 application administrators to build and upload CA 800 spreadsheets and incorporate aid codes.				
The post implementation target reduction for Objective 1.1 is moderately conservative given the efficiency gains anticipated in the area. However, most of the gains will be leveraged by engaging in additional value-added activities for analysis and quality. These activities are detailed in the Value-Added Activities Section 3.1.5.				
Objective 1.2 - Reduce the average hours per quarter required for FSAB to receive CA 800 claims and complete audit processes.				
Objective	Baseline (Per Quarter)	Metric Per Quarter Two	Post Implementation	Measurement Method

		Years After Implementation	Target Reduction (Per Quarter)	
1.1	1,222 hours	Save 244 hours spent building and uploading tasks by CA 800 staff.	After one year, a 10 percent reduction to 1,100 hours. After two years, a 20 percent reduction to 978 hours.	Time study CA 800 staff time spent on building and uploading tasks.
1.2	778 hours	Save 117 hours spent on claim and audit processes by CA 800 staff.	After one year, a 10 percent reduction to 701 hours After two years, a 15 percent reductions to 661 hours.	Time study CA 800 staff time spent on claim and audit processes.

Business Problem Two

Critical CEC workflow components are not automated and result in low staff productivity from manual workarounds.

Corresponding S-M-A-R-T Objectives

Objective 2.1 - Reduce the average hours per quarter required for FSAB CEC receipt and claim validation processes.

Objective 2.2 - Reduce the average hours per quarter required for FSAB CEC application administrators to build and upload CEC templates, update ledgers, modify funding ratios and incorporate program codes.

The post implementation target reduction for Objective 1.1 is moderately conservative given the efficiency gains anticipated in the area. However, most of the gains will be leveraged by engaging in additional value-added activities for analysis and quality. These activities are detailed in the Value-Added Activities Section 3.1.5.

Objective 2.3 - Reduce the average hours per quarter required for FSAB CEC audit processes.

Objective	Baseline (Per Quarter)	Metric Per Quarter Two Years After Implementation	Post Implementation Target Reduction (Per Quarter)	Measurement Method
2.1	16 hours	Save 13 hours spent on receipt and claim validation processes by CEC staff.	After one year, a 50 percent reduction to 8 hours. After two years, an 80 percent	Time study CEC staff time spent on receipt and claim validations processes.

			reduction to 3 hours.	
2.2	3,534 hours	Save 707 hours spent on build and upload activities by CEC staff.	After one year, a 10 percent reduction to 3,180 hours. After two years, a 20 percent reduction to 2,827 hours.	Time study CEC staff time spent on build and upload activities.
2.3	1,806 hours	Save 270 hours spent on auditing processes by CEC staff.	After one year, 10 percent reduction to 1,625 hours. After two years, a 15 percent reductions to 1,536 hours.	Time study CEC staff time spent on auditing processes.
Business Problem Three				
The absence of a centralized data repository makes the process of state and federal data reporting inefficient and resource dependent.				
Corresponding S-M-A-R-T Objectives				
Objective 3.1 - Reduce the average number of hours per quarter needed for FSAB to prepare state and federal reports.				
Objective 3.2 - Reduce the average number of hours per quarter needed for FSAB to prepare Federal Variance Reports ¹ by approximately 80 percent, allowing for the redirection of FSAB staff to perform value-added reporting fiscal activities.				
Objective	Baseline (Per Quarter)	Metric Per Quarter Two Years After Implementation	Post Implementation Target Reduction (Per Quarter)	Measurement Method
3.1	49 hours	Save 10 hours spent on Federal reporting activities.	After one year, a 10 percent reduction to 44 hours. After two years, a 20 percent reduction to 39 hours.	Time study FSAB staff time spent on Federal reporting activities.
3.2	40 hours	Save 32 hours spent on the	After one year, an 80 percent	Time study FSAB staff time

¹ Federal Variance Reports summarize the public assistance program areas with variances in federal expenditures of over five percent from the prior quarter.

		Federal Variance Report.	reduction to 8 hours.	spent on the Federal Variance Report.
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3.1.4 Cost Savings

The SPR 1 stated a cost savings of 1.35 PYs for CA 800 FSAB staff and 1.25 PYs for CEC FSAB staff. These savings were derived from eliminating inefficient workarounds and manual tasks. The SPR 1 also assumed savings for CWD staff in the amount of 3.16 PYs. Since the state has no means of reliably measuring these efficiencies, no PY savings for CWDs are included in this SPR 2. Based on the objectives from SPR 2, there is an estimated total reduction of approximately 3.4 PYs for CA 800 and CEC state staff. However, since the reduction cannot be attributed to specific positions, the identified PY savings will not result in any change in budgeted positions as staff will be able to perform tasks and value-added activities currently not performed due to staffing shortages and lack of automation support.

For compliance with GAAP and Title 2 of CFR Part 225, program relies on the creation of external systems and labor-intensive manual workarounds. The implementation of the proposed end-to-end solution will mitigate these manual processes and the solution will allow staff to be redirected to value-added activities to meet state and federal reporting requirements and increased oversight. Additional projected benefits include the cost avoidances and efficiencies described below, in Section 3.1.6.

3.1.5 Value-Added Activities

The CECRIS will generate efficiencies that will free up staff time to perform value-added activities for analysis and quality check and controls. The activities below will ensure the federal and state oversight reporting requirements are met:

- 1) Develop and perform in-depth analysis of county expenditure trend and comparison reports that include system and fiscal integrity checks.
- 2) Increase analysis of Grant Awards to ensure proper reimbursement based on advances and actual reported expenditures.
- 3) Increase analysis of payments and tracking of outstanding items such as recoupments from the counties, and other pending payment issues.
- 4) Increase the number of counties visited with the quarterly onsite monitoring visits.

3.1.6 Cost Avoidance and Efficiency Objectives

By creating a single end-to-end system that meets the business needs and requirements, the state and CWDs will derive direct benefits from the automation and streamlining of processes that will lead to cost avoidances and increased efficiencies as detailed below. By redirecting staff to perform the following value-added activities to increase oversight and analysis, customer and stakeholder confidence and satisfaction will improve.

Cost avoidances:

- 1) Reduce audit findings for both the state and CWDs by redirecting staff to increase the number of federally mandated county desk audit reviews.

- 2) Reduce or eliminate the need for the use of temporary help to perform manual processes to meet business needs.
- 3) Decrease the need for General Fund loan usage by receiving more timely and accurate reimbursement from other departments.

Efficiencies created by CECRIS:

- 1) Automate business processes and thus reduce error rates within reports that are currently prepared either completely or partially using manual processes.
- 2) Track penalties and/or audit findings more accurately and efficiently to meet requests from management for reports.
- 3) Decrease turnaround time for CECRIS users' reporting inquiries as they will have the ability to run their own reports.

3.1.7 Stakeholders of the Business Program/Process

Due to the amount of time that has passed since approval of the 2007 FSR, the stakeholder listing is updated to appropriately define all customers, departments and agencies who may be affected by, have influence over and have an interest in the successful conclusion of this project. The new technical solution introduced in SPR 2 still addresses the needs of all stakeholders.

Below is a revised list of the stakeholder list for this SPR 2 that are grouped into categories based on their involvement in the CECRIS Project.

Oversight, Approval and Review:

- California Department of Technology (Department of Technology) – responsible for the oversight and approval of the CECRIS Project.
- Administration for Children and Families (ACF), within the U.S. Department of Health and Human Services (DHHS) – provides approval for Federal Financial Participation (FFP) via approval of APD documents. As CDSS' cognizant federal agency, ACF will be reviewing and approving all FFP costs claimed in the CECRIS Project and will liaison with:
- Center for Medicaid Services (CMS)
- Food and Nutrition Service (FNS) – Previously listed by their former name US Department of Agriculture
- California Health and Human Services Agency (CHHS) – provides project approval for the CECRIS Project including review and approval of SPRs and APDs.
- Department of Finance (DOF), in collaboration with the California Department of Technology – approves the project budget
- County Welfare Directors Association (CWDA) – represents the directorates of the CWDs in California and their interests. CWDA representatives will participate in the review of project documents and consult on system design and development.

Direct Involvement With The Project:

- California Department of Social Services (CDSS) – Administration Division
 - Deputy Director
 - CECRIS Project Team
- Information Systems Division (ISD)

Direct Users of CECRIS:

- California Department of Social Service (CDSS), Administration Division – users of CECRIS at the state level are staff of the Fiscal Systems and Accounting Branch. The CDSS Subject Matter Experts (CDSS SMEs) will participate as needed during the CECRIS project.
- County Welfare Departments (CWDs) – CWDs, as users of the CEC and CA 800 claiming systems, will be impacted by the CECRIS streamlined processes and functionality for claims and reporting.
 - CWD Subject Matter Experts (SMEs) – CWD SMEs will participate as needed during the project and represent all three of the Statewide Automated Welfare System consortia systems.

Receive Data or Reports from CECRIS:

- Divisions within CDSS that are recipients of either data or reports generated from CEC and CA 800 including but not limited to:
 - Children and Family Services Division (CFSD)
 - Welfare to Work Division (WTW)
 - Administration Division – Fiscal Forecasting and Policy Branch
- Department of Health Care Services (DHCS) – as the Medi-Cal Administrator, DHCS will request and receive CEC data reports generated by CECRIS.

Stakeholders Removed Since Approval of the CECRIS FSR:

The organizations listed below are being removed as they will not be affected by, have influence over nor have an interest in the implementation of the CECRIS Project.

- California Department of Education (DOE) – removed as the program administered by DOE no longer claims funding through the CEC.
- State Controller's Office (SCO) – removed as there will be no changes in how data is submitted to SCO systems. The SCO may become a stakeholder at a future time depending upon the implementation of Financial Information System for California (FI\$Cal) and how the system interfaces with local assistance claiming systems.
- US Department of Health and Human Services (DHHS) – removed since the CECRIS documentation will be submitted through ACF, now listed as a stakeholder.

3.2 Project Status

As a result of consultation with Department of Technology and the CHHS, CDSS paused work on project activities starting July 2014 to assess the viability of other systems within the CHHS. The objective was to find a system that could, with minimal and cost effective modifications, be transferred to CDSS as an end-to-end system solution to meet our business needs (referred to in this SPR as “Transfer System”). The Project Team conducted a functional and technical review (further detailed in Section 3.3.2) of two other State departments’ systems, and concluded that neither system was viable to leverage as they would not meet CECRIS’ business needs. While the activities did not result in finding the technical solution needed to meet the business needs, the outcomes of the activities did lead to the development of the proposed solution detailed in this SPR 2.

Milestones completed and benefits achieved since SPR 1's approval:

- January 2013 through May 2013 – Work resumed developing the Request for Offer (RFO) for an Acquisition Support Vendor. The first attempt to solicit a vendor garnered no responses (February). In March, second RFO in March 2013 for an Acquisition Support vendor's assistance to develop requirements and solicitation documents for the CECRIS system developer was released to vendors. Acquisition Support vendor contract was awarded to Cambria Solutions in May 2013.
- February 2013 through August 2013 – The CDSS released an RFO to vendors requesting Independent Verification and Validation (IV&V) oversight services. The IV&V vendor contract awarded to Visionary Integration Professionals in August.
- August 2013 – A Request for Information (RFI) was released to the vendor community requesting information regarding potential solutions to meet the CECRIS business needs. The results provided a realistic picture of the increased costs and schedule needed to complete procurement for the technical solution.
- July 2014 through September 2014 – An assessment was performed to explore the potential leveraging/re-use of similar claiming systems, the Administrative Expense Claim (AEC) from the Department of Child Support Services and the Short Doyle Medi Cal (SDMC) system from the Department of Health Care Services, within CHHS. Neither system was viable, which lead the team to explore existing CDSS architecture.
- May 2014 – Business and Technical Requirements for the CECRIS system were completed with the Project Team.
- October 2014 through November 2014 – Existing CDSS architecture was reassessed and a solution was proposed by CDSS to the Department of Technology and CWDA. The Proposed Solution reflects the use of a Solution Vendor (SV) in tandem with internal resources to migrate validated business rules to a claiming system on sustainable architecture that leverages and builds upon existing shared Enterprise CDSS IT components.
- December 2014 through present – the CECRIS Project was temporarily suspended in December 2014. Since then, the project has been focusing on the delivery of SPR 2 to elaborate the solution proposed by CDSS. The approval of SPR 2 is a requirement for the project to resume.

Leverage of Existing Project Artifacts from SPR 1:

The activities listed below produced project deliverables that may be leveraged in the implementation of the new CECRIS Project plan:

- April 2013 through February 2014 – Project Management Plans were produced that will be updated to provide guidance to the management of the CECRIS Project.
- May 2013 through May 2014 – The business and technical requirements that Cambria developed can be leveraged for future use.
- October 2013 through March 2014 – The high level As-Is business processes flows and narratives were developed for the existing CEC and CA 800 systems.
- November 17, 2014 – Submitted a Go Forward Proposal proposing a refined technical approach which leverages existing enterprise technical assets to achieve the CECRIS Project goals.
- Ongoing – Leveraging existing Enterprise components and knowledge and skills greatly reduces the technical staff's learning curve and the project can deliver a more robust and maintainable solution.

3.3 Reason for Proposed Project Change

The CDSS has identified, analyzed and addressed a need for change in the proposed solution, cost and project schedule in the preparation of this SPR 2. The evolution of the CECRIS Proposed Solution is detailed below in this section.

3.3.1 Request for Information (RFI) Review

In order to gain a better understanding of potential solutions and costs of the current market, the Project Team conducted a RFI in August of 2013. Eight vendors responded to the RFI. The solutions proposed by the vendors included both a variety of COTS/MOTS solutions with significant customization, and systems built on a platform or framework.

In addition, some vendors provided incomplete information, making a true assessment of total cost challenging. For example, Salesforce provided only their base platform. Any additional development would have required a third party effort and other components in addition to their base platform and would have incurred additional cost; the increased cost was not identified in their proposal.

Conclusion:

- It is unlikely to find an all-in-one COTS in the market place.
- MOTS are available, will require > \$4 million customization.
- It is highly preferable for the chosen solution to have pre-built accounting functionalities, as they represent about half of business needs.

Summary of Findings: The items in red are areas of significant concern, and the item in green is an area that made the product especially worth considering.

PROS	CONS	COST*	SOLUTION
USL Financials Inc.		\$6 - \$7.2	MOTS
Client server financial management system with accounting functionalities.			
*Core accounting functionalities	* Client server architecture - server not web based. * No frontend technologies for acquiring and validating data from external partners. * May not layout a good technology foundation for future CDSS projects or systems. * Does not have Identity Access Management.		
Trinity Technology Group		\$4.5	MOTS
Customer relationship management system based entirely on Microsoft Dynamics 2011, with no financial functions.			

N/A	<ul style="list-style-type: none"> * Specific to claims processing business area - may not layout a technology foundation for future CDSS projects or systems. * Custom development needed for all financial functions. * Does not have Identity Access Management. 	
Brekken Technology Inc.	\$5.2	MOTS
<p>A reseller of the System 7 framework by Libera, Inc., which was designed to be a case management system by Libera, Inc.</p> <p>Libera added Claims management, validation and auditing functions to System 7 in November 2013, after the RFI was in concluded in September.</p>		
N/A	As recent as 10/2015, company is no longer in business.	
Applicor	\$2.1	MOTS
<p>Aplicor is a cloud based Enterprise Resource management, Customer relationship management and e-commerce package.</p>		
*Cloud-based - no hosting needed by CDSS.	<ul style="list-style-type: none"> *No specific business capabilities are provided. *No relevant experience. *Customers can configure the solution but can't make changes to code. 	
Salesforce	N/A	Development
<p>A cloud based Customer Relationship Management tool, which also does case management. Its primary focus is in sales, service and marketing. No financial modules were available.</p>		
*Cloud-based - no hosting needed by CDSS.	<ul style="list-style-type: none"> *Only platform is provided; needs to be custom built on top of proprietary platform. *Unable to get cost estimate without involving a third party system integrator. *Additional needed components will incur additional cost. 	
Pega Systems	N/A	Development
<p>A platform for Business Process management, Case Management and Customer relationship management.</p>		
<ul style="list-style-type: none"> *Service oriented architecture (SOA). *SOA could be a foundation for future CDSS systems. *Maintainable and flexible. 	<ul style="list-style-type: none"> *M&O not provided. *Does not have Identity Access Management. 	

Informatix		\$1.3	Development
*Maintainable and flexible. *Not tied to a vendor SOA platform.	* FSAB previous contract with vendor. cancelled- unable to deliver requirements. *Does not have Identity Access Management.		
	A payment processing system focused on “paper” billing (payables) handling. Limited to a web-based PDF form data entry, and limited to data collection and validation, but no accounting.		
Radian Solutions		\$3.7	N/A
Based on the Appian Business Process Management platform, which also had case management capabilities.			
N/A	*Incomplete information - unable to assess.		

***Cost = One Time Cost + 1st Year Maintenance. (Million)**

3.3.2 Assessment of Similar State Transfer Systems

Business and technical requirements were complete in early 2014, and as a continuation of identifying COTS/MOTS candidates, an evaluation was conducted to determine if viable solutions existed within CHHS; two systems with similar programmatic and financial claiming needs were chosen for review:

- *Department of Health Care Services (DHCS), Medi-Cal System*
- *Department of Child Support Services (DCSS), Administrative Expense Claim (AEC) System*

Below are the findings of each system as a result of the assessment.

DHCS Medi-Cal System

USL Financials (one of the RFI vendors), provided a key component of the DHCS Medi-Cal System, hence the team was able to take a closer examination of the system in a real-life scenario, and to have a better idea about how the USL product worked, and about the effort involved in development and maintenance in taking on a system on this nature. DHCS' had a team of 30 state staff and contractors on the system maintenance team. In addition, as complex and substantial as the USL was, it represented about one third of the DHCS Medi-Cal System not the entire solution.

Additionally the DHCS Medi-Cal System:

- Lacked a comprehensive front end for entry and submission of the claim, a critical component needed to meet CECRIS business needs.
- Needed a great deal of customization to incorporate all of the CECRIS business rules.
- Did not meet 51% of the CECRIS business requirements.

- Was not recommended by County stakeholders who were familiar with the Medi-Cal System, and stated the system lacked significant amount of functionalities needed.

DCSS AEC System

The AEC system was a claims portal, providing access controls, data entry features, role-based user management and reports. Since most data entry consists of entering numbers either directly or indirectly through worksheet forms, the AEC has a very complete high level overview of a web-based data collection process.

In terms of compatibility with CECRIS requirements and CEC and CA 800 data, the AEC System:

- Lacked significant data elements: The data collection is much simpler for the DCSS claims group, only about 800 of the 4000+ needed CECRIS fields were present. In addition AEC presently has six primary data entry screens, whereas the CEC and CA 800, the systems to be replaced have the functional equivalent of approximately 50 CA 800 primary screens and 100 CEC primary screens. County stakeholder feedback also indicated that required functionality such as cost pool distribution is not available.
- Used Crystal Reports to develop DCSS reports, thus all CECRIS reports would need to be newly developed as CDSS only supports SQL server and not Crystal Report engines.
- Required programming by DCSS Information Technology (IT) staff, therefore the screens and business rules could not be maintained by the users.
- Had little to no documentation.
- Had logon systems that were specific to DCSS due to the nature of the software, (did not come with the system); CDSS would need to interface the transfer system to an internally developed access control system.
- Did not have the ability to calculate variance between time frames which is critical to the process of processing claims (a key way to identify entry areas).
- Did not support CA 800 type of costs.
- Did not meet approximately 70% of the business requirements.
- As was the case with the DHCS Medi-Cal System, was not recommended by County stakeholders who were familiar with the Medi-Cal System, and stated the system lacked significant amount of functionalities needed.

Conclusion

While both the DHCS and DCSS systems initially appeared to be viable options to consider, after the initial business and technical review it was determined that neither system met more than half of the CECRIS business requirements. The CDSS determined that it would not be prudent to pursue either system as a transfer option for the CECRIS Project. And due to CECRIS' unique business rules, any all-in-one system available in the private or public sector would require significant cost and customization.

Knowledge gained during the assessment did provide a better understanding of the CECRIS business needs based on real-world examples, and confirmed the earlier assessment that accounting needs to be part of the core functionality, i.e. USL Financials was the only vendor from RFI that proposed a realistic plan. Additionally, the experience provided a better understanding of the technical architecture that would be required.

It was determined there were two approaches for the solution:

1. MOTS: Start with a COTS like USL that has pre-built accounting functionality, plus significant and costly customization.
2. Develop a system based on an existing framework. (Current proposal)

With the significant cost associated with the first option, and the better understanding of the technical and business needs, the Project Team proposed a solution that leveraged existing enterprise framework and components with the following benefits:

- Meets all major business needs.
- Leverages in-house expertise.
- Leverages in-house technical assets.
- Uses integrated and cohesive technical architecture, vs. bolt-on of disparate systems with significant customization.
- Less Vendor cost: \$2 million (based on in-depth analysis) vs. at least \$6 million (based on initial estimate provided by USL Financials).

The two tables on following pages provide a visual comparison of the two transfer systems and the current proposed solution.

Evaluation Criteria Comparison:

Key:

<input type="radio"/>	Does not meet criteria	<input checked="" type="radio"/>	Meets criteria
<input checked="" type="radio"/>	Partially meets or issues exist	?	Unknown

Evaluation Criteria	DHCS	AEC	Proposed Solution
Cost savings	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Schedule reduction	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Supports all CECRIS business requirements	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
An integrated and centralized system	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Scalable to support all data, codes, and workflow	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Improves the efficiency of staff and reduces repetitive, manual tasks	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Provides accurate and complete financial information and audit trails compliant with all applicable accounting guidelines and principles	●	○	●
Maintainable using in-house resources	●	●	●
Data accuracy and integrity	●	●	●
Technical architecture	●	○	●
Database design	○	○	●
Security	●	●	●

System Processes Comparison:

Functional Processes	Total # Requirements	DHCS	AEC	Proposed Solution
CECRIS Claim Template	28	○	●	●
Capture County Allocations	9	○	●	●
Calculate Advances	13	○	○	●
Submit Claim	38	○	●	●
Receive and Audit Claim	35	?	●	●
Transmit Payment Claim Schedules	34	?	○	●
Year End Processing	8	?	○	●
State and Federal Fiscal Year Close Out	8	?	○	●

Totals	173	88 Not Met (51%) 85 Unknown (49%)	17 Met (10%) 33 Met with Gaps (19%) 123 Not Met (71%)	Meets 100%
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3.3.3 Reason for Solution Change

The RFI conducted in August 2013 helped the Project Team gain a better understanding of potential solutions and costs of the current market. The responses to the RFI presented a variety of COTS/MOTS solutions that had the potential to meet the business needs. USL Financial Inc.'s COTS/MOTS solution, Alternative 1, most closely met CECRIS requirements and was chosen as the basis for re-estimating the project cost in preparation of this SPR 2.

The new estimate for Alternative 1 increased the Project cost to \$14.8 million (in total Project cost which includes USL Financial Inc.'s vendor cost of 6 – 7.2 million), a much more realistic cost than the \$7.7 million SPR 1 project budget since it was based on current market products and prices. The SPR 1 project cost was clearly insufficient to develop a system to meet the business needs.

In this SPR 2, we are proposing a revised system development cost of \$10.6 million. An analysis of the cost differences is detailed in Section 3.4.5 Proposed Budget Changes.

System Solution

In the past decade, CDSS has been positioning itself to re-use its own infrastructural components for projects as part of its technical strategic plan. This creates the positive opportunity for the Department to utilize its infrastructure and software investments (e.g., K2, security provider service, data connector web service) to improve and scale the existing successful business process into an upgraded system that can provide new data collection, management and reporting opportunities with the purchase of a much smaller scale of new technology components. (Refer to Section 3.4 for specific technology components to be used.) The proposed solution also enables the project to move forward for less cost (\$4.2 million) and a shorter timeframe (six months) than Alternative 1. (Refer to Section 3.4 for specific cost and schedule changes to meet the business needs.)

The CDSS IT environment has evolved significantly since the inception of the CECRIS Project in 2007. Thus, the recent internal assessment of CDSS' systems confirmed that leveraging existing shared Enterprise technology components presents the most favorable option for achieving the business goals in an efficient, effective and economical manner.

The CDSS already has 100 percent of the hardware and 90 percent of the software assets required for the proposed CECRIS effort. By utilizing current CDSS IT assets, supplemented by two additional software application procurements (under the existing Enterprise Agreement),

CDSS can capitalize on a shared existing services to meet the CECRIS requirements. Additionally, CDSS currently has adequate leased space at OTech Tenant Managed Services to host the proposed solution without incurring additional data center service charges.

The proposed solution does not change the scope and still meets the business needs of the CECRIS Project.

3.3.4 Reason for Staffing Change

Having knowledgeable and experienced staff is critical to project success. The staffing model has changed since the approval of SPR 1. Additional redirected project staff resources were added to develop the As-Is process documentation, provide assistance to the acquisition support vendor for development of the business and technical requirements, prepare project documents and to ensure adequate staff expertise is available in future FYs. Additional staff resources include three new IT staff positions that will support the IT workload associated with the project and ultimately provide system support after implementation.

3.3.5 Reason for Project Schedule Changes

Multiple events occurred after the project was funded in February 2012 that created changes to the Project schedule.

Adjustment of Schedule for Non-Working Days and Task Durations

The Project schedule approved in SPR 1 had a project duration of 63 months that included non-working time of weekends and holidays. As a result, the timeframe was understated at a minimum of 12 months. The Project schedule for this SPR has been refined and updated and now only uses business days.

Project Pause to Evaluate Potential State Transfer Systems

The Project took a four month pause beginning in July of 2014 to evaluate systems currently utilized by two other state departments. The goal was to determine whether either system met the CECRIS business needs and could be leveraged by CDSS as a potential solution (more detail in Section 3.8). The results of this assessment, detailed by Cambria Solution in October 2014, were that neither system would fully meet the business needs. The Department began to strategize on how internal technology could be used to meet the business needs. A Go Forward Proposal was developed by the Project Team and submitted to Department of Technology in November 2014.

Project Suspension for Planning and Development of a New Solution

In December 2014, the Project was suspended to give the Project Team time to re-plan the project based on the proposed solution detailed in Section 3.4. The proposed solution recommends utilizing a SV in tandem with internal resources to migrate validated business rules to a claiming system on a sustainable platform that will leverage existing CDSS shared Enterprise technology components. To date, the suspension and the pause have created an estimated 18 month delay based on the estimated SPR 2 approval date of January 2016.

Adjustment of Schedule for Post Implementation Evaluation Review

The Post Implementation Evaluation Review (PIER) schedule in SPR 1 allowed six months to perform the PIER. Evaluation of the metrics from objectives in SPR 2 will be measured after

one year. However, there is no dependency between the PIER and Project Closeout, which is estimated to be March 21, 2019.

3.4 Proposed Project Change

The CECRIS Project is reporting proposed changes to the approved SPR 1 with respect to the proposed solution, procurement strategy project schedule, staffing model and Project costs. The solution is based on new technical architecture that leverages existing technologies currently owned by CDSS that will fulfill the business needs and requirements for CECRIS.

This section explains the specific proposed changes, including a narrative of the proposed technical solution and the associated approach to achieve that solution.

3.4.1 Proposed Solution Changes

Solution Vendor: The Project Team recommends utilizing a SV in tandem with internal resources to migrate validated business rules to a claiming system on a sustainable platform. The platform will be web service based, and have an n-tier architecture. This solution will leverage existing CDSS shared Enterprise technology components. The proposed solution will take advantage of BizTalk, available in today's marketplace, and leverage existing CDSS shared Enterprise technology components, such as Microsoft Dynamics Customer Relationship Management (CRM) and Identity Management System (IDAM), named Security Access Framework (SAF), to enhance the existing manual-heavy CA 800 and CEC business processes.

Development tools such as the Microsoft Structured Query Language (SQL) Data Wizard will be used to up-scale the existing CA 800 functionality from Access to SQL. This specific development tool has proven to be successful in previous CDSS IT efforts. Additional in-house technologies provide a number of opportunities for reuse of technology components for the CECRIS solution.

Claims Portal: Template and reporting guidelines will be available to the CWDs through modifications to the existing CEC claims portal. The template and reporting guidelines will be in the form of XML standards (for those CWDs looking to interface electronically via web services) and/or data input through a web form. The portal will be enhanced with capability to generate application error messages to alert counties of invalid claims data entry. This real time notification will allow the CWDs to correct claim data prior to submission. Security will be enhanced with CDSS' new SAF which provides for role-based access and user authentication. Existing code base for file/data exchange services will also be reused. For example, the Universal Data Connector, an existing CDSS IT component used successfully for other CDSS systems will be utilized to provide a means for the CWDs to transmit claims via XML. Additionally, CWDs will be able to generate standard or ad hoc reports through the claims portal due to reuse of the SQL Server Reporting Service.

Adjudication Function: The adjudication function will utilize a business rules engine to enforce defined business rules for consistent program administration. All incoming data will be stored in its original form, checked for obvious errors and placed into a pre-audit data set. The applied business rules will also identify any variances and flag the associated data for the auditors. Once audited, the data will be moved into various MS SQL tables that will reside in the data

warehouse. Staff efficiencies will occur as current time consuming data validation and error checks are automated.

The solution presented in SPR 2 is designed solely and specifically to meet CECRIS' business needs. However, due to its componentized nature, parts of the solution's system can be leveraged in support of future solution development.

Data Archive

Rather than migrating all data (initial submission and final audit) in the existing system to the new system as planned in the 2007 FSR, the approach is modified to migrate the three state fiscal years of CEC and CA 800 summary data. The stored data will encompass the three most recent full claiming cycles and will enable the State to begin calculating advances through the new system using historical data.

In addition, the department will archive the current system along with all historical data on a central server which will be accessible to both CDSS staff and county staff after the launch of the new CECRIS system.

This approach will greatly reduce the issues typically associated with data conversion and data cleanup efforts prior to implementation.

Table 2.0 identifies the technology components to be used in the CECRIS system and the purpose of each component. As illustrated below, CDSS currently owns the vast majority of these components.

TABLE 2.0: TECHNOLOGY COMPONENTS TO BE PURCHASED OR REUSED

Technology Component	Purpose	Status
Microsoft BizTalk	Data translation tool (Business rules engine/data validation checks)	Must be purchased
K2 Engine	Workflow engine	Owned by CDSS/Reuse
MS Excel Client	Data reports	Owned by CDSS/Reuse
MS SQL	Database tool	Owned by CDSS/Reuse
Microsoft Dynamics CRM	Web form, portal, data management tool	Owned by CDSS/Reuse
Microsoft Visual Studio	Development tool	Reuse of existing licenses in addition to purchase of additional licenses (for use by SV staff)
Security Access Framework	User access, authentication, authorization and audit	Owned by CDSS/Reuse
SharePoint	Document management	Owned by CDSS/Reuse
SQL Server Reporting Service	Data reporting tool	Owned by CDSS/Reuse
xxx.Time	Calendaring service	Owned by CDSS/Reuse
Universal Data Connector	Data connector for file transfer	Owned by CDSS/Reuse

Integration with Other Systems

No integration exists in the current system. With the exception of interfacing with some CWDs systems via web service, no integration is planned within the project. However, the new system does provide the possibility of future system integrations as it could be easily modified to respond to new circumstances or conditions, conform to new allocations with minimal re-coding and would continue to function well if changed in size or volume and could handle more users and bigger data demands.

3.4.2 Proposed Procurement Strategy Changes

SPR 1 proposed acquiring a vendor through a Request for Proposal (RFP); it was a business-based procurement where vendors are invited to submit their technical solutions to address the business problems.

Based on the due diligence conducted during the RFO and transfer system assessment phase, the proposed solution in SPR 2 was crystalized. Approximately 90% of the proposed solution is leveraging enterprise components; solution identification is no longer part of the SV scope and the cost of the SV is reduced to approximately \$2.6 million. These developments afforded the opportunity to procure the SV via a RFO through a Master Service Agreement (MSA).

Using the MSA and the RFO process is more efficient than the RFP process as it allows CDSS to estimate the contract cost based on the services provided and deliverables associated with the Project. Additionally, leveraging the MSA will enable solution implementation 6 months earlier than the RFP approach outlined in previous discussions between CDSS, CHHS and Department of Technology.

The RFO will require the SV to provide qualified individuals to support the work required by the contract and provide sufficient knowledge transfer to key CDSS Information Systems Division and Program staff. Using a MSA/RFO process instead of an RFP also eliminates formal procurement protests associated with RFPs and potential schedule delays associated with such protests. The CDSS has executed an interagency agreement with OSI to conduct CECRIS procurements. Relying upon OSI's technical procurement expertise will add value to the project.

Procurement of the necessary technology components listed in Table 3.0 will be accomplished under the current CDSS Microsoft Enterprise Agreement. The term of the current agreement expires in March 2017 and will be renewed to include the software supporting CECRIS.

Additionally, as part of the procurement strategy, an Organizational Change Management (OCM) vendor and a Financial Systems Auditor vendor will be contracted.

Government Code Section 19130(b) Justification

Vendor support services are required to mitigate the critical Project risk identified due to the lack of CDSS resources and skillsets for OCM and Financial Systems Auditor.

Due to the complexity and fiscal impacts of the CECRIS Project, the level of support needed for the success of the project, the scope of the services being highly-complex, specialized and technical in nature and the services being of a temporary or occasional nature [refer to Government Code 19130(b)(10)], it is in the best interests of the state to proceed with a personal services contract for this service.

The timeline, cost and term dates for procurement of vendors is specified in Table 3.0.

TABLE 3.0: NEW CECRIS PROJECT PROCUREMENTS

Type of Contract	Planned Date of Contract Execution	End Date of Contract	Total Contract Value	Deliverable Based	Procurement Vehicle
Organizational Change Management	7/2016	1/2019	\$427,800	Y	RFO
Financial Systems Auditor	10/2016	1/2019	\$455,800	Y	RFO

3.4.3 Proposed Schedule Changes

Compared to SPR 1, there is additional time to the proposed solution schedule. Reasons for this change are discussed in Section 3.3.3 Reason for Project Changes. The net effect is a Project schedule that has increased by 34 months.

However, compared to Alternative 1, which is a more realistic estimate of the solution in SPR 1, the proposed solution timeline is six months shorter. This is due to the fact the proposed solution leverages the RFO process instead of RFP as discussed in Section 3.4 Proposed Procurement Strategy Changes.

Table 4.0 provides a high-level summary of the revised schedule. Refer to Appendix A for the revised schedule for the CECRIS Project.

TABLE 4.0: SUMMARY REVISED SCHEDULE

Major Milestones	SPR 1 Completion Dates	SPR 2 Completion Dates	Months Extended
Project Management Plans Updated	10/2014	4/18/2016	18
Implementation Advanced Planning Document Approval	None	5/2016	N/A
Procurement – Solution Vendor (SV)	10/2014	9/2016	23
To-Be End-To-End Process Analysis/Requirements	10/2014	10/2016	24
System Design	5/2015	4/2017	23
System Development	12/2015	3/2018	27

Testing (Integration & User Acceptance) ²	9/2016	8/2018	23
Rollout	11/2016	1/2019	26
Project Close Out Artifacts	1/12/2017	3/21/2019	26
Post Implementation Evaluation Report	5/2017	6/2020	37

3.4.4 Proposed Staffing Model Changes

A Budget Change Proposal (BCP) for FY 2016-17 will request CDSS IT staff augmentation of two permanent Systems Software Specialist II (SSS-II) positions and one permanent Associate Information Systems Analyst (AISA) position. The SSS-II staff will be on-board prior to implementation in FY 2016-17 to receive training on CDSS infrastructure, Microsoft Dynamics CRM and BizTalk. Microsoft Dynamics CRM is currently available in CDSS's Enterprise environment, and BizTalk is a new software component to be procured for the project. Subsequently, SSS-II staff will work collaboratively with the other Project Team members and the SV during the remainder of the planning and implementation phases of the project. These two staff will provide Maintenance and Operation (M&O) for CECRIS after implementation. The AISA will be on-board in FY 2017-18, joining the project during the execution phase. This will allow adequate time to provide training and knowledge transfer from the SV to the staff regarding the solution design and more specifically, the functionality of the business rules engine. Post implementation, this staff will provide help desk services to support the CECRIS.

After the schedule adjustments made in SPR 2, comparing the same fiscal year (SFY) between SPR 1 and SPR 2, the peak Personnel Years (PYs) shifted forward three years, resulting in the delayed Systems Life Cycle Development (SDLC) phase of the Project.

In addition, since the project was on a combination of pause and suspension from July 2014 to the estimated target date of January 2016, the staff cost during this time has been removed from the project PY count.

Table 5.0 illustrates the adjustments of the PY equivalents that represent the state staff dedicated to the project.

TABLE 5.0: SPR 1 AND SPR 2 STAFFING MODEL (PY)

SPR	SFY	Totals								
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	
1	1.8	3.8	6.0	5.8	5.8	6.1	.3	-	-	29.5
2	.43	1.06	3.85	0	4.0	10.5	11.5	9.38	4.0	44.71

² Security functionalities will be tested and validated by CDSS staff or a non-SI vendor.

3.4.5 Proposed Budget Changes

The proposed solution is estimated at \$9.8 million using current market prices for software upgrades, software licenses and also including additional vendor resources necessary for Project success such as OCM, a Financial Systems Auditor and IPOC through the Department of Technology and taking into account the refined project schedule. A BCP will also be submitted for FY 2016-17 to request funding for the IT staff augmentation thus ensuring adequate staff are available to collaborate with the SV during the SDLC phase, to receive appropriate knowledge transfer from the SV to staff and to provide application support and maintenance after implementation of the solution. No staffing costs are attributed to the Project from July 2014 to December 2015 due to the pause and suspension.

The \$10.5 million cost is significantly less than the \$14.8 million cost of Alternative 1, which as mentioned earlier, is the more realistic estimate of the solution in SPR 1. In addition, compared to SPR 1, the amount of total new funding (versus redirected funding) being requested for the project is \$6 million which is a moderate increase from the \$4.5 million in SPR 1. Approximately 50 percent of the project cost will be covered by federal funds; therefore, the new General Fund request is expected to be increased by approximately \$750K.

Project cost estimates were developed based on the proposed solution and are reflected in the EAW. Table 6.0 provides a high level summary of the changes between SPR 1 and SPR 2.

TABLE 6.0: SUMMARY BUDGET CHANGE FROM SPR 1 TO SPR 2

	SPR 1	SPR 2 Proposed	SPR 2 Alternative
Procurement Method	RFP	MSA / RFO	RFP
Solution Vendor	\$3,570,400	\$2,577,440	\$5,150,000
OCM	\$0	\$427,800	\$427,800
Financial Systems Auditor	\$0	\$455,800	\$455,800
IPOC	\$0	\$422,100	\$422,100
IV&V	\$312,000	\$453,250	\$453,250
Other Contracts	\$679,190	\$529,028	\$529,028
Software/Licenses	\$0	(one-time) \$292,094 (continuing) \$129,708	(one-time) \$1,431,074 (continuing) \$1,117,538
Hardware	\$0	\$9,910	\$7,460
CDSS Staff and Overhead	\$3,179,004	\$5,285,963	\$4,757,963
TOTAL PROJECT COST	\$7,740,594	\$10,583,093	\$14,752,013

The cost for the proposed solution was estimated in the following steps:

1. Identified approximately 80 major tasks from the first day the SV is onboard, through the Design, Development and Implement (DD&I) cycle, ending with general production deployment.
2. Estimated the duration for each tasks, generally 1 month to 3 months.
3. Identified dependencies between the tasks.
4. The above steps resulted in the critical path with 29 months duration, as well as other paths of execution parallel to the critical path.
5. Identified the three expertise areas needed from the SV: portal, business rules and database.
6. Assumed one Senior Programmer each is needed for business rules and database and one Programmer is needed for portal. Other roles during the DD&I are filled by CDSS staff.
7. Looked up the hourly rate for each position on the MSA vendor list: \$114/Senior Programmer, \$94/Programmer.
8. Calculated the SV contract amount based on the data from step #4 and step #7.
9. Added 15% to the total amount as contingency budget.

The SPR Alternative cost estimate was based on data provided by one of the vendors during the RFI. They proposed a COTS/MOTS solution, and provided one of the most comprehensive cost estimates.

Accessibility

There are no changes to the accessibility requirements specified in the CECRIS FSR and SPR 1; CDSS will comply with the accessibility requirements defined in Government Code 11135 including Federal Rehabilitation Act section 508.

3.4.6 Impact of Proposed Change on the Project

The CECRIS Project is reporting proposed implementation changes compared to the previously approved SPR 1. The proposed changes to the schedule and staffing, vendor contracts and procurement approach are intricately connected with the cost and schedule changes. The following are impacts resulting from changes to the proposed solution:

- Using an SV and leveraging existing shared Enterprise technology components presents the most favorable option for achieving the business goals in an efficient, effective and economical manner.
- Providing a realistic approach to migrate validated business rules to a claiming system on sustainable architecture that leverages and builds upon existing CDSS shared Enterprise technology components.
- Adding an additional 3 PYs of IT resources to ensure adequate staff is available to collaborate with the SV on system design, development and implementation. Staff will receive appropriate knowledge transfer from the SV to provide application support and maintenance after implementation of the solution.
- Contracting with a Financial Systems Auditor vendor to prevent fraud by ensuring the system is in compliance with GAAP and Title 2 of CFR Part 225.

Benefits

The new centralized system with end-to-end processing will be scalable and extensible and will provide the business program a myriad of benefits including:

- Scalability: The system will leverage existing shared Enterprise technology components.
- Extensibility: The design will utilize modular components and development tools that position CDSS for alignment with anticipated system changes.
- Centralized System with End-to-end Processing: The system will accommodate common data usage for both types of claims.
- Risk Avoidance: The system will provide the needed system security and back up capabilities.
- Compliance with Federal/State Requirements: The system will have added functionality that complies with federal and state accounting requirements and federal public assistance reporting requirements, such as the new reporting requirements for county system automation M&O costs mandated by the ACF in the fall of 2014.
- Improved Services: The system will reduce the length of time for funding authorization process for CWDs by streamlining data entry and increasing efficient data processing by the system for CDSS. In addition, the system will create a centralized repository of information available to users on an as-needed basis for updates, inquires and reporting.
- Fiscal Integrity for Accounting Systems: The system will enhance fiscal integrity by reducing reliance on manual processes and key data entry.
- Process Improvements: The system will provide for improved web access through an enhanced portal, streamlined system access, automated data entry and data processing capabilities. In addition, new functionality will enable CWDs to process multiple claim periods simultaneously and create budget scenario claims (mock claims) to assist with budget planning.
- Ease of Use: The system will be easier to use and less redundant than the current system allowing users to input data through data entry screens instead of MS Excel or FoxPro templates.
- Security: System security will be enhanced to provide role-based access and user authentication.
- Increased Reporting Functionality: The addition of system-generated reports will provide real-time, customizable reports to the right users at the right time. Both CDSS and County users will benefit from the ability to generate standard and ad hoc reports.
- Business Process Re-engineering (BPR): The BPR conducted by the OCM vendor, will document the new streamlined workflow and processes to ensure improved user and system performance.

3.4.7 Feasible Alternatives Considered

The CDSS conducted evaluations of two potential alternative solutions to the one proposed in this SPR 2:

- RFI from the vendor community, referred to as Alternative 1.
- Assessment of similar available state transfer systems.

Request for Information (RFI)

The CDSS released a RFI in August 2013 to elicit feedback regarding available technologies to meet the business needs. Vendor RFI responses offered a variety of COTS/MOTS tools with varying amounts of customization. An evaluation was conducted on the number or requirements met and not met. Although the vendor's COTS/MOTS solutions all addressed some of the CECRIS business requirements, none were deemed feasible. Further details of the RFI can be found detailed in Section 3.3.1 Request for Information (RFI) Review.

Assessment of Similar State Transfer Systems

To determine if viable solutions existed within CHHS, a review of two systems with similar programmatic and financial claiming needs were chosen for review:

- *Department of Health Care Services (DHCS), Short Doyle Medi-Cal (SDMC) system*
- *Department of Child Support Services (DCSS), Administrative Expense Claim (AEC) System*

While both the DHCS and DCSS systems initially appeared to be viable options for CECRIS, upon programmatic and cursory technical review, CDSS found that 51 percent of CECRIS' business requirements would not be met with DHCS SDMC, and DCSS AEC failed to meet 71 percent of the requirements. The CDSS determined that it would not be prudent to pursue either system as a transfer option for the CECRIS Project. Further details of this assessment can be found above in Section 3.3.2 Assessment of Similar State Transfer Systems.

3.5 Implementation Plan

3.5.1 Implementation Plan for the Proposed Solution

An SV with CRM, BizTalk and MS SQL expertise will be secured through a RFO process to support the system implementation. Along with the CDSS Technical Team, the SV will review the business requirements, and finalize the technical design. To ensure an orchestrated solution development among the entire Project Team, along with the SV, the Technical Team Lead will be asked to build the implementation schedule with the buy-in from the team before the start of the actual technical effort. The CDSS Technical Team will be responsible for solution delivery and will take over the maintenance and operations responsibilities after the production launch. In collaboration with the SV, the Technical Team Lead will ensure the delivery of a comprehensive set of technical documents for the purpose of knowledge transfer for operational continuity. In addition, the Project will manage the SV contract from start to finish, ensuring all deliverables are met.

Prior to the start of the solution development and after the SV comes onboard, all involved technical team members will formulate the processes in the following areas:

- Commercial components patching (mainly Microsoft product)
- Source code versioning
- Migration of software code among the environments, e.g. development, test and production.

For all three areas, CDSS has existing tools and processes to ensure the continuing operation of existing in-house applications. The technical team will review these procedures and make any adjustments necessary.

In addition, the two new SSS IIs, in conjunction with the Operations team will implement the processes throughout the development and into the Maintenance and Operations phase.

3.5.2 Implementation for the Revised Schedule

As noted earlier, the CECRIS Project is proposing a revised project schedule that identifies a realistic estimate of activities, tasks and timeframes. The updated Project schedule changes will be implemented utilizing the base-lined processes and procedures outlined in the CECRIS

Schedule Management Plan. The CECRIS updated Project schedule will be used during the Planning and Procurement Phase.

TABLE 7.0: PROJECT MILESTONES

Major Milestones	Estimated Completion Date
Project Management Plans Updated	April 18, 2016
Implementation Advanced Planning Document Approval	October 5, 2016
Procurement – Solution Vendor (SV)	September 8, 2016
To-Be End-To-End Process Analysis	October 3, 2016
System Design	April 4, 2017
System Development	March 26, 2018
Testing (Integration & UAT)	August 1, 2018
Pilot Rollout	December 28, 2018
Full Rollout	January 30, 2019
Project Closeout	March 21, 2019
Post Implementation Evaluation Report (PIER)	June 12, 2020

3.5.3 Implementation Plan for the Revised Budget

The Project staff will submit budget requests in accordance with costs identified in this SPR 2 on an annual basis. To secure FFP for the costs identified in this SPR, the state will be submitting to ACF for approval the appropriate Advance Planning Documents (APDs) such as an Initial Advance Planning Document, As Needed APD and Advance Planning Document Updates. Additionally, CDSS will submit a BCP for FY 2016-17 to augment IT staff.

3.5.4 Implementation Plan for the Revised Staffing Model

The Project will implement proposed staffing changes in accordance with the increased resource needs identified for project success. The majority of staff that comprises the increase in the staffing model for the project has been redirected from other areas within CDSS, while an additional 2.0 PYs will be requested for FY 2016-17 and 1.0 PY in FY 2017-18 for IT workload. These new IT staff will be on-board prior to implementation to receive training in the technologies to be used for the solution as well as to ensure support for the system. After implementation, the staff will provide help desk support, regular maintenance and necessary modifications to the system.

3.6 Preventing Future Recurrence

In an effort to prevent schedule and cost variance in the implementation of SPR 2's proposed system solution, the CECRIS Project has looked closely at the causes of previous schedule and cost variances from SPR 1. Changes to the schedule and resources have been planned in SPR 2 to ensure reasons for previous variances have been addressed.

3.6.1 Project Schedule

The SPR 1 schedule was incomplete as it omitted necessary procurement and federal approval activities that have been incorporated in the SPR 2 Project schedule. Additionally, SPR 1

schedule included non-work hours such as weekends and holidays thereby resulting in inaccurate timeframes for schedule tasks.

The Project schedule has since been re-baselined to correct the previous deficiencies. Going forward, best project management practices such as frequent and periodic schedule update and review will be implemented.

3.6.2 Resources Added

- Project Manager (PM) – The PM position has been upgraded from Senior Information Systems Analyst (SISA) to a Data Processing Manager II (DPM II) since the previous PM has left the Department. The replacement PM will continue to provide leadership and day-to-day management for the entire Project Team. The PM will also conduct continuous planning process improvements and risk management assessment and document lessons learned throughout the project.
- Business Team Members – The Project is now fully staffed to facilitate the day-to-day operations of project activities, completion of the tasks and deliverables to meet objectives, goals and deadlines.

3.6.3 Vendors Added

Due to the Project suspension that began December 2014 to allow the Department to perform thorough re-planning, vendors are not currently performing duties under the CECRIS Project. Upon approval of SPR 2, vendor procurement will begin in accordance with the Project schedule.

The addition of vendors to the Project will provide quality to the implementation of the CECRIS technical solution.

- The OCM contract will provide consulting services to prepare CDSS and county staff for business, technical and cultural changes that occur as the result of the CECRIS Project's impact to stakeholders. The CDSS recognizes that the success of the Project will require OCM vendor support to ensure smooth transitions and acceptance of change that will occur at various stages of product development, testing and implementation. Business Process Re-engineering (BPR) will also be conducted by the OCM vendor to document the new streamlined workflow and processes to ensure improved user and system performance.

The CDSS will work with the OSI Acquisitions Office to procure OCM services and will develop an RFO and leverage the California Multiple Award Schedules (CMAS) contract process. The RFO/CMAS allows the procurement to proceed more timely due to eliminating the formal protest process associated with a RFP and reduces potential increases in costs as it allows services to start as prescribed in the project schedule.

- The Financial Systems Auditor vendor will benefit the project by ensuring the CECRIS solution is in compliance with federal requirements that specify the guidelines for state and local cost principles. The vendor will participate during the analysis, design, development, user acceptance testing and implementation phases of the project to evaluate the technical solution for fiscal integrity, potential financial risks and compliance with and Generally Accepted Accounting Principles and Title 2 of CFR Part 225.

The CDSS will work with the OSI Acquisitions Office to procure a Financial Systems Auditor vendor and will develop an RFO and leverage CMAS. The benefit of utilizing CMAS is a streamlined procurement process utilizing the Department of General Services' pre-approved vendors and vendor rates.

- The CDSS will be contracting with the Department of Technology for Independent Project Oversight Consultant (IPOC) services for the CECRIS Project. The IPOC will provide feedback on project approval requests and Project planning documents; provide Project status reports; escalate Project risks and issues; and assist in developing appropriate risk and issue mitigation strategies.

4.0 Updated Project Management Plan

4.1 Project Manager Qualifications

Pursuant to the CA-PMM complexity assessment, CECRIS is a medium sized project. Analysis of other departments' projects of the same relative size revealed project management by either a Data Processing Manager II (DPM II) or a Senior Information System Analyst. The original CECRIS Project Manager was a Senior Information Systems Analyst who completed training equivalent to the primary and secondary CA-PMM training curriculum via certification as a Project Management Professional (PMP) through the Project Management Institute (PMI). That staff member left the Department in April 2014 and the Project Management Office Bureau Chief, with assistance from a SISA (certified by PMI as a Certified Associate in Project Management) and other project support staff, assumed the responsibility until an experienced project manager could be recruited and hired. Due to the level of responsibility required for a project of this complexity, the Department undertook the effort to work with the California Department of Human Resources (CalHR) to upgrade the position to a DPM II (specialist). Approval from CalHR was received in September 2014 and recruitment for a limited term Project Manager began immediately thereafter. In January 2015, Steven Li was appointed as the CECRIS Project Manager. This Project Manager is Project Management Professional (PMP) certified and possesses the requisite knowledge, experience, skills and abilities to successfully manage this IT project.

4.2 Project Management Methodology

There are no changes to the project management methodology stated in previous project documentation; the project will continue to follow the CA-PMM methodology described in SIMM 17 and the Project Management Body of Knowledge framework. The following management plans have been baselined and will be updated:

- Project Charter
- Governance Plan
- Communication Plan
- Risk & Issue Management Plan

These management plans have not been baselined and will be produced:

- Scope Management Plan
- Change Management Plan
- Human Resources Plan
- Cost Management Plan

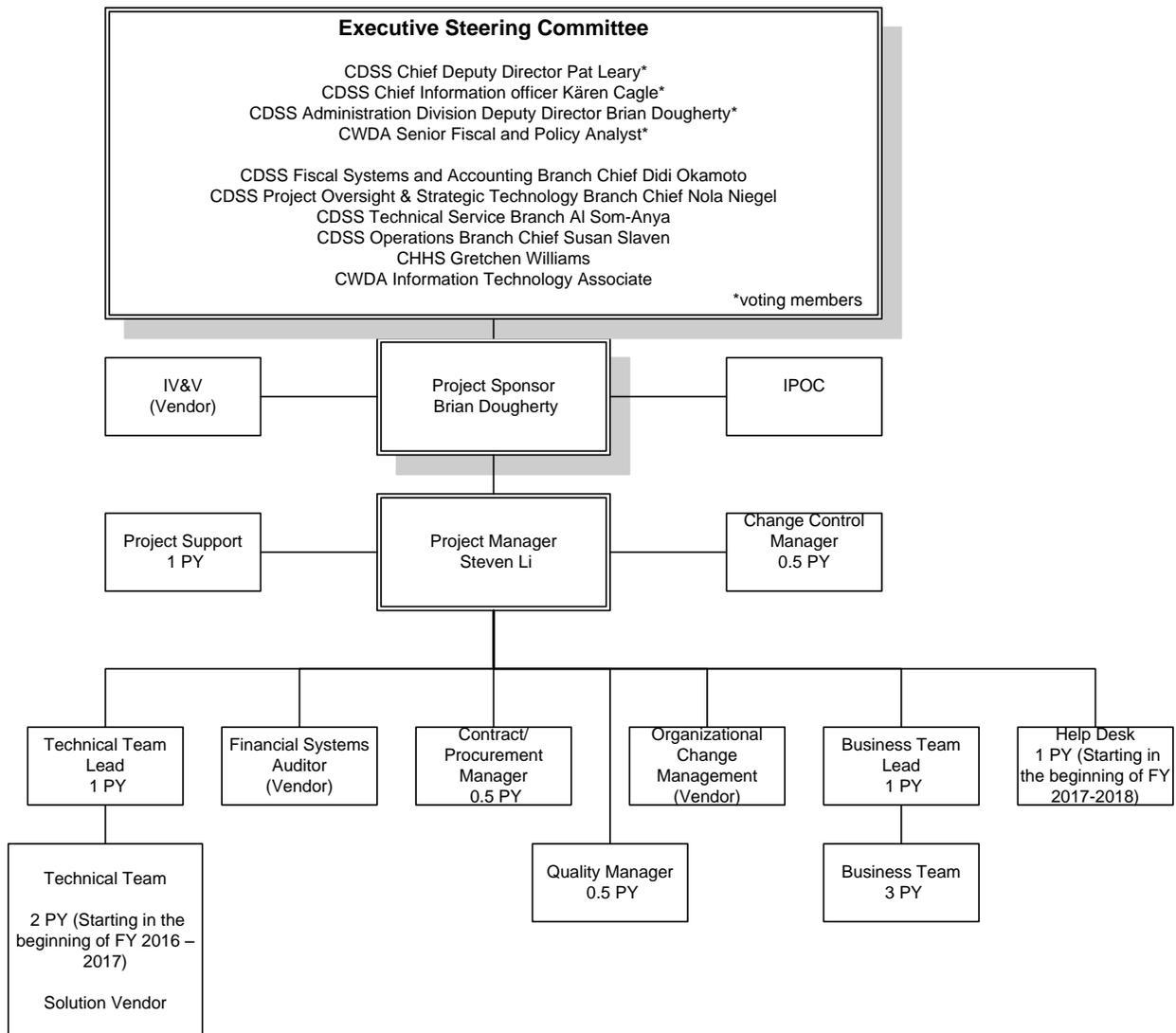
- Quality Management Plan
- Schedule Management Plan
- Procurement & Contract Management Plan
- Stakeholder Management Plan

As indicated in the schedule, all project management plans are planned to be revamped/created by March, 2016 and the plans will be updated in monthly batches.

4.3 Project Organization

The Project Team is reflected in the organizational chart shown in Figure 1.0 below.

FIGURE 1.0: CECRIS PROJECT ORGANIZATION



Note: The Project Manager does not directly supervise any of the Project team members but has strong authority over Project team members as it relates to Project deliverables.

In addition to the Project team staff, from time to time, the Project will also need the ancillary services provided by various groups throughout the enterprise. Per the established processes within CDSS to engage the groups for their services, the Project will coordinate with the groups as necessary.

Below is a list of such services.

Service	Group	Estimated Date
BizTalk installation and setup	CDSS Operations	6/2016
Procurement consultation	CDSS Contracts OSI Contracts	ongoing until 6/2017
BCP and EAW consultation	CDSS Budget CDSS Operations	ongoing until 6/2016
PC setup and configuration for the OCM	CDSS Desktop Support	6/2016
PC setup and configuration for the Financial Systems Auditor	CDSS Desktop Support	10/2016
PC setup and configuration for the SV	CDSS Desktop Support	8/2016
Development environment setup	CDSS Operations	12/2016
Test environment setup	CDSS Operations	5/2017
Production environment setup	CDSS Operations	7/2018
Production launch	CDSS Operations	1/30/2019

4.4 Project Priorities

The Project priorities were updated by the Project Sponsor and the executive team through the execution of the Project Charter. Quality replaced Scope as the number one priority.

Project quality is the first priority as the new system must accurately capture data, facilitate timely reporting to meet federal and state regulations, maintain system integrity and prevent audit findings. Failure to ensure that quality goals are met would have a severe negative impact on public assistance programs and FFP in program and system costs since billions of state and federal dollars go through the system. The system that is delivered must be of sufficient quality to warrant the time and costs invested in planning, implementation and operation.

Table 8.0 shows the relative importance of each factor using priority of 1 (highest) to 4 (lowest) for each of the factors.

TABLE 8.0 – TRADE-OFF MATRIX TABLE

Factor	Schedule	Scope	Cost	Quality
Priority	3	2	4	1

4.5 Project Plan

4.5.1 Project Scope

The Project scope has not changed since approval of SPR 1; the CDSS is seeking an end-to-end system to replace the CA 800 and CEC toolsets with one application.

4.5.2 Project Assumptions

Due to the amount of time that has passed since the approval of SPR 1, the Project assumptions have been reviewed and updated. Based on the proposed changes to the project schedule, staffing model, estimated cost and proposed solution, the following project assumptions:

1. The SMEs and/or team members with appropriate skills and experience from the FSAB, ISD and CWDs will be committed to participate in activities throughout the project life cycle to ensure project success.
2. Assignment of ISD team members to the project will help to ensure that the ISD system design and integration standards and security standards are met and increase the probability of success.
3. A representative pool of CWD Managers, IT staff and end users will participate in the project to ensure the solution's success.
4. Vendor resources will be selected through a competitive procurement methodology for a SV, Financial Systems Auditor and OCM.
5. Ongoing system maintenance and enhancements will be provided by CDSS ISD.
6. The IPOC functions will be performed by the Department of Technology after approval of this SPR 2.
7. Quality Management will be performed by CDSS ISD Technical Services Branch staff.
8. The CDSS Project Oversight and Strategic Technology Branch will provide staff for project management and project support.
9. Full project funding will be available throughout the project lifecycle.
10. The Business Team will continue to receive CDSS support, including ongoing participation by the Project Sponsor, the Deputy Director of the Administration Division, and the Executive Steering Committee.
11. The Project will obtain Department of Technology, DOF and federal approval.
12. Organizational Change Management at the state and county level will take place prior to implementation of the new system.
13. Any federal or state statute or regulation change that occurs during or after the project execution phase and requires significant modification to the business/technical requirements will be managed by the Configuration/Change Control Management process.

4.5.3 Project Phasing

Phasing for the CECRIS Project is aligned with the CA-PMM framework, i.e., the phases of the Project Management Life Cycle: Initiation, Planning, Executing and Closing. Table 9.0 below illustrates the phases and key tasks associated.

TABLE 9.0 – PROJECT PHASES/DELIVERABLES

Project Phase	Project Deliverables
Initiation	<ul style="list-style-type: none"> • Project Charter • Approved SPR 2 • Approved IAPD
Planning	<ul style="list-style-type: none"> • Project Management Plans • Baselined Project Schedule
Executing	<ul style="list-style-type: none"> • Develop RFO For Vendors • Release RFO For Vendors • Procure Organizational Change Management Vendor • Procure Solution Vendor

	<ul style="list-style-type: none"> • Procure Financial Systems Auditor • Procure IV&V Vendor • Submit Service Request for IPOC Services • Define To-be End-to-End Process • Requirements Validation • System Design • System Development • Testing • Pilot • Production
Closeout	<ul style="list-style-type: none"> • Lessons Learned • Project Artifacts Archival

4.5.4 Project Roles and Responsibilities

Project roles and associated responsibilities for the major participants in the CECRIS Project are shown in Table 10.0 below:

TABLE 10.0 – PROJECT ROLES/RESPONSIBILITIES

Role	Responsibility
Executive Steering Committee	<ul style="list-style-type: none"> • Endorses and communicates overall project direction. • Sets priorities and direction of Project efforts. • Provides scope, schedule, and budgetary controls. • Provides mitigation strategy to escalated Project risks. • Provides resolution to escalated Project issues. • Provides decisions on major change requests involving scope, schedule, or delivery commitment. • Provides a network for open communications between Project teams and stakeholders. • Manages enterprise resources and infrastructure to sustain the Project. • Provides highest-level decision making authority.
Project Sponsor – CDSS Administration Division Deputy Director	<ul style="list-style-type: none"> • Provides sponsorship and support of the project at the executive management level. • Represents the Project to executive management. • Promotes the goals and objectives of the project at the executive management level.

	<ul style="list-style-type: none"> • Resolves business issues and removes Project obstacles. • Approves significant changes to the scope, budget and schedule. • Approves key deliverables. • Ensures project funding and resources.
Project Manager	<p><i>Initiation</i></p> <ul style="list-style-type: none"> • Updates project charter • Conducts project kick-off meeting <p><i>Planning</i></p> <ul style="list-style-type: none"> • Updates the Project management plans. • Updates the governance plan. • Updates the Steering Committee Charter. • Coordinates and facilitates project planning activities among the Project Team. • Identifies core team members. • Develops and baselines the Project schedule. <p><i>Executing and Monitoring</i></p> <ul style="list-style-type: none"> • Monitors and facilitates adherence to the Project scope, schedule and budget. • Participates in procurements for system development and other vendors. • Serves as central point of Project communication and coordination among the Project Sponsor, Project Team and stakeholders. • Prepares and provides Project status reports to the Project Sponsor and control agencies. • Assists in BCP development to obtain and manage resources assigned to the project. • Works with vendors and stakeholder representatives in ensuring the quality of deliverables and the overall project success. • Maintains Project schedule. • Maintains risk and issue log. • Collaborates with Contract Managers to ensure deliverable deficiencies are corrected. • Reviews and recommends approval of all project work plans, deliverables and status reports. • Participates in quality assurance

	<p>processes.</p> <ul style="list-style-type: none"> • Assesses projected vs. actual project metrics. • Reviews and assesses project change requests. • Distributes Project Status Reports. • Review and approve major project deliverables. • Ensure deliverables meet acceptance criteria. • Ensure user group recommendations are provided on major deliverables. <p><i>Closing</i></p> <ul style="list-style-type: none"> • Delivers products. • Conducts project review. • Transitions project to Operations/Maintenance. • Archives project file. • Evaluates project. • Conduct lessons learned.
Project Support	<ul style="list-style-type: none"> • Assists Project management on risks, issues and other project management disciplines by providing both required information and recommendations for action by management. • Assists with maintaining Project schedule. • Assists with maintaining Project plans. • Assists in the preparation of reports and presentations on Project activities and status for various stakeholders. • Participates in the development of needed Project approval documents. • Participates in the review and acceptance of contract deliverables. • Creates and maintains the CECRIS SharePoint site to store project artifacts. • Monitors and tracks Project budget. • Assists with Project funding documents.
Business Team Lead	<ul style="list-style-type: none"> • Participates in the preparation and review of bid specifications and selection of the SV, OCM and Financial Systems Auditor. • Ensures assignment and availability of appropriate business subject matter experts. • Ensures effective CDSS business staff participation. • With the Project Manager, participates in

	<p>management decisions and deliverable approvals for the SV, OCM and Financial Systems Auditor.</p> <ul style="list-style-type: none"> • Works closely with the project manager to ensure the goals and objectives of the program and the project development are in alignment and closely monitored. • Escalates risks and issues to the risks and issues manager. • Serves in an advisory nature for decisions related to policy and business functionality. • Coordinates Business Team activities. • Provides status updates to the project manager.
<p>Business Team</p>	<ul style="list-style-type: none"> • Participates in OCM activities and definition/refinement of business requirements. • Participates in team meetings. • Provides input into project risk and issue efforts and resolves as assigned. • Participates in user training and knowledge transfer activities. • Assists in test scripts development • Participates in testing activities, including review and approval of test case specifications, test data, expected test results and execution and documentation of user acceptance testing. • Participates in the review of key project deliverables. • Participates in the development and approval of user training.
<p>Technical Team Lead</p>	<ul style="list-style-type: none"> • Delivers a tested and accepted system per the business requirements. • Coordinates Technical Team activities that include CDSS and SV staff. • Performs analysis of IT infrastructure hardware/software necessary for the CECRIS solution. • Works closely with the SV to monitor the implementation of solution designs. • Oversees the gathering of technical requirements from required parties ensuring they are complete, traceable and understood by the Project Team. • Responsible for oversight of design and document of IT solutions. • Participates in Project planning by

	<p>outlining key deliverables, delivery dates, milestones, costs and efforts for all development efforts.</p> <ul style="list-style-type: none"> • Provides status update to the Project Manager. • Oversees the SV to ensure business and technical requirements are met. • Supports and maintains all required quality standards, policies, procedures and work instructions. • Assess existing information technology support and work with development teams to define information technology requirements.
<p>Solution Vendor</p>	<ul style="list-style-type: none"> • With the approval of and in collaboration with the Technical Team Lead: <ul style="list-style-type: none"> ○ Drafts conceptual design documents and software requirement specifications. ○ Designs and builds/customizes the system in cooperation with the CDSS accounting manager, state subject matter experts, and the CDSS Technical Team. • Provides a comprehensive and detailed schedule of the tasks that show the proposed assignment of vendor resources and expectations for when and how much of the CDSS staff resources will be required. • Provides status update to the Technical Team lead. • Develops technical documentation needed for knowledge transfer to CDSS Technical Team. • Conducts knowledge transfer to the CDSS Technical Team. • Assists the OCM in user training. • Security functionalities will be tested and validated by DSS staff or a non-SV.
<p>Change Control Manager</p>	<ul style="list-style-type: none"> • Assists with the development of the Change Management Plan. • Ensures the implementation of the Change Management Plan • Serves as central point of contact for all completed change request forms. • Logs changes in the change request register – maintains a log of all submitted change requests throughout the project lifecycle.

	<ul style="list-style-type: none"> • Evaluates the change along with the Project Manager and requestor – conducts a preliminary analysis on the impact of the change to risk, cost, schedule and scope and seeks clarification from team members and the change requestor. • Protects the CDSS interests in case of change management needs. • Follows up on change request approvals. • Follow up on the implementation of the approved change
Organizational Change Management Vendor	<ul style="list-style-type: none"> • Develops expert understanding of business processes involved. • Performs business process re-engineering to develop the business To-Be process flows. • Applies gap analysis techniques to define the nature and extent of needed change and communicates the business case to decision makers. • Applies concepts of process and organizational improvement to assist customer teams responsible for developing comprehensive business designs in specific functional areas. • Identifies how the organization will work in the new automated environment. • Develops and delivers training programs. • Works with the development team to specify requirements for management of the training environment. • Designs and creates end-user tools, such as classroom materials and user manuals. • Designs and conducts information-gathering techniques, including structured interviews, facilitated workshops and surveys.
Help Desk	<ul style="list-style-type: none"> • Provides CECRIS system support to both state and county users. • Assists with users in solving CECRIS usage issues. • Monitors and tracks system issue tickets and provide ongoing help-desk services of CECRIS. • Creates and maintains state and county authorized user accounts. • Set up security rights and roles. • Monitors access to the system on a

	<p>regular interval to ensure the security and integrity of the data for each county.</p> <ul style="list-style-type: none"> • Notifies CECRIS users regarding maintenance upgrades, feature changes, outages to the systems. • Serves as liaison between CDSS CECRIS program staff, developers, users, and internal/external resources. • Develops first level criteria lists for support questions and FAQ's for users guide. • Determines which issues/questions would be escalated to second level resources. • Assists with users training, including preparation and providing actual instructions.
Financial Systems Auditor	<ul style="list-style-type: none"> • Verifies that the IT design, development, testing, and implementation comply with business requirements and GAAP (functional, business rules, user roles, security, etc.) • Participates in team meetings (Business & IT), conducts interviews as required. • Develops and executes compliance verification plan and produces formal compliance reports for management review and approval to ensure best practices are followed. • Provides weekly status reports to the Project Manager and Business Manager. • Participates in change control process where appropriate. • Assesses the completeness and appropriateness of the Business and IT security measures. • Reviews the IT and UAT planning and results to demonstrate end-to-end system operations and preparedness for implementation. • Reviews the start-up of production system to ensure fiscal integrity. • Assesses the completeness and appropriateness of the operational and policies and procedures that are developed. • Prevents fraud by ensuring compliance with governmental requirements and standards including GAAP and Title 2 of CFR Part 225.
Quality Assurance Manager	<ul style="list-style-type: none"> • Leads, directs and manages quality

	<p>assurance processes.</p> <ul style="list-style-type: none"> • Monitors solution development. • Adheres to best practices, standards and procedures in maintaining and assuring quality. • Applies quality measurement tools, methodologies and procedures in ensuring quality in the delivered system. • Takes appropriate corrective measures to ensure quality in the solution. • Initiates and establishes quality assurance standards conforming to business needs. • Supports the project manager by outlining key deliverables, delivery dates, milestones, costs and efforts related to contracts and procurement, and provides updates. • Develops test plan and matrix. • Coordinates the developments of test scripts. • Implements the test plan and maintains test matrix.
<p>Project Oversight: Independent Verification and Validation</p>	<ul style="list-style-type: none"> • Provides independent review and analysis of the Project. • Validates interim deliverables and ensures the final system satisfies requirements and solves the right problems, including activities such as independent traceability analysis and reporting of results. • Validates adherence to documented technical standards, methodologies, practices and conventions, provides recommendations for improvements as needed. • Validates compliance with requirements for all Project activities. • Evaluates and reports on adherence to scope (functionality required by the business), budget, schedule and quality baselines. • Assesses and reports on adherence to system development best practices. • Identifies and quantifies technical risks and issues including the development of sound recommendations based on industry best practices to reduce or eliminate the risks and issues.
<p>Project Oversight: Independent Project Oversight Consultant</p>	<ul style="list-style-type: none"> • Executes the state's Independent Project Oversight Framework. • Provides independent assessment of

	<p>Project management deliverables, processes and products.</p> <ul style="list-style-type: none"> • Provides objective assessment of procurement or technical deliverables, products and processes including reviews, inspections, walkthroughs, etc. • Provides multi-level independent reports on the project to: <ul style="list-style-type: none"> • Department of Technology • The CDSS executives and CIO through status reports. • Project Team members and stakeholders through reports on deliverables and process reviews. • Helps detect risks and variations that may occur during the project and recommends corrective action.
Procurement/Contract Manager	<ul style="list-style-type: none"> • Coordinates procurement and contract management activities within CDSS and externally with all pertinent organizations such as Statewide Technology Procurement Division and OSI. • Supports the Project Manager by outlining key deliverables, delivery dates, milestones, costs and efforts related to contracts and procurement, and provide updates. • Provides status update to the Project Manager. • Develops or coordinates procurement artifacts, such as SOW and RFO packages. • Tracks vendor deliverables and approvals. • Tracks contract budget and expenses.

4.5.5 Project Schedule

The Project schedule was revised to reflect all changes in SPR 2 and is included as Appendix A to this document.

4.6 Project Monitoring and Oversight

The CDSS follows the CA-PMM standard requirements, status tracking and reporting requirements for project deliverables, schedule and budget. The CECRIS Project status will continue to be tracked and reported on a regular and on-going basis throughout the lifecycle of the project. Task leads will provide weekly schedule updates to the project manager. The updated copy of the schedule will be placed on the project SharePoint site by the close of business every Friday for IV&V review. The Project Team will meet bi-weekly during the planning phase and review the schedule milestones, deliverables, risks, issues and action items. The Project schedule is maintained in MS Project and all risks, issues and action items

are maintained in the project SharePoint site. The Project Manager provides periodic status reports during regularly scheduled project meetings such as those shown in Table 11.0 below:

TABLE 11.0 – PROJECT MEETINGS

Meeting	Attendees	Frequency
CECRIS Operating Committee	Project Team, IPOC	Bi-weekly
Risks/Issues Tracking	Project Team, IPOC	Monthly (at a minimum)
Project Schedule Status	Project Team, IPOC	Weekly
Project Status	Executive Team, Project Manager, IPOC	Monthly
Executive Steering Committee	Executive Team, CWDA, Department of Technology, IPOC	Quarterly
IV&V Briefings	Executive Team, Project Manager, IPOC, IV&V	Monthly
Stakeholder Status Meetings	CWDA, IPOC and other identified stakeholders	Monthly

Based on the Criticality/Risk Rating, the Project is considered medium risk and the Project status reports will be submitted to the Department of Technology quarterly.

CDSS will be contracting with the Department of Technology for IPOC services for this Project after approval of this SPR 2. Previous IPOC services were provided by a redirected CDSS resource.

4.7 Project Quality

The CECRIS Quality Management Plan will define the quality policies, objectives and responsibilities associated with the Project’s quality planning, assurance, control and continuous process improvement. The plan will also address the management of the Project and product through the application of quality measures and techniques such as peer reviews, walkthroughs and IV&V Project oversight in order to meet the business and technical objectives/requirements of the Project.

4.8 Change Management

The CECRIS Configuration/Change Control Management Plan outlines the approach to managing change throughout the project. The plan includes the assignment of a Change Control Manager who will track changes and manage changes through implementation and also communicate/elevate priority changes to a Change Control Board for approval. Change management after implementation will be a responsibility of the staff hired to provide M&O to the CECRIS application.

4.9 Authorization Required

The CECRIS Project is reportable to the Department of Technology and must be approved by the following:

- California Health and Human Services Agency Secretary
- California Health and Human Services Agency Information Officer
- CDSS Director

- CDSS Chief Information Officer
- CDSS Legal Office
- CDSS Administration Division
 - Deputy Director
 - Chief, Fiscal Systems and Accounting Branch
 - Chief, Budget Bureau
- CDSS Information Systems Division
 - Chief, Technical Services Branch
 - Chief, Project Oversight and Strategic Technologies Branch
 - Chief, Operations Branch
 - Information Security Officer

The ACF, as CDSS’ cognizant federal agency, will be reviewing and approving the APDs and all supporting documentation.

5.0 Updated Risk Management Plan

The project is following the risk management processes identified in CA-PMM. The Risk Management Plan has been developed and will be maintained throughout the life of the project. The scope of the plan pertains to the CECRIS Project and its internal and external risks. The plan includes the processes that will be used to identify risks including the criteria used for risk probability, impact and severity determination, risk response and risk monitoring.

5.1 Risk Register

The CDSS utilizes SharePoint as the tracking tool for risk collection, assessment and management related to the CECRIS Project. The updated Risk Register, generated from the central CECRIS SharePoint repository, is included as Appendix B and shown at a high level in Table 12.0 below.

TABLE 12.0 – RISK REGISTER

No.	Risk	Probability	Potential Impact	Timeframe	Risk Level
1.	As a result of new state or federal requirements, there may be new CECRIS requirements which may cause development or implementation delays.	1 (unlikely or highly unlikely)	1 (less than 5% change)	0.33 (Over a year from now)	(3) Low
2.	As a result of missed requirements in the RFO or new requirements that arise after the solution provider is on board, change requests may be necessary, which may cause cost and schedule increases.	3 (better than even chance)	3 (11-15% change)	0.33 (Over a year from now)	(3) Low
3.	As a result of other projects planned or in progress at CDSS, IT resources may not be	1 (unlikely or highly unlikely)	1 (less than 5% change)	0.33 (Over a year from now)	(3) Low

	available for the CECRIS Project, which may cause delays to the Project.				
4.	As a result of vendor protests of the RFO, procurement of a solution provider may be delayed, which may delay the Project schedule.	1 (unlikely or highly unlikely)	3 (11-15% change)	0.66 (Six months to a year from now)	(3) Low
5.	As a result of CDSS not having a testing tool other than Excel spreadsheets, configuration and change management may be difficult to manage, which may result in system implementation delays if all defects and changes cannot be addressed timely.	5 (highly likely or almost certain)	4 (16-24% change)	0.33 (Over a year from now)	(3)Low
6.	As a result of the RFO, a qualified vendor proposal may not be generated through the bid process, which would require a RFP process to be conducted.	2 (somewhat doubtful)	4 (16-24% change)	0.66 (Six months to a year from now)	(3) Low
7.	As a result of having to request project funding through the premise process each year, funding for the project may not be not approved for subsequent years, which may result in the termination of the Project.	1 (unlikely or highly unlikely)	5 (25% or greater change)	0.66 (Six months to a year from now)	(3) Low
7.	As a result of having to request project funding through the premise process each year, funding for the project may not be not approved for subsequent years, which may result in the termination of the project.	1 (unlikely or highly unlikely)	5 (25% or greater change)	0.66 (Six months to a year from now)	(3) Low
9.	The Project Team is new to the APD/IAPD development, they are learning as they go; therefore, it may take longer time to complete APD documents.	4 (Likely or probably)	3 (11-15% change)	1.0 (Within the next six months)	(2) Medium
11.	System does not scale or respond to load as intended.	2 (Somewhat doubtful)	5 (25% or greater change)	0.33 (Over a year from now)	(3) Low
12.	Security vulnerabilities discovered in technology components.	3 (better than even chance)	3 (11-15% change)	0.33 (Over a year from now)	(3) Low
13.	SV may have a different approach for the solution	3 (better than even)	2 (5-10% change)	0.66 (Six months to a	(3) Low

	architecture.	chance)		year from now)	
14.	Enterprise infrastructure may reach capacity, and not able to accommodate project needs.	1 (unlikely or highly unlikely)	5 (25% or greater change)	0.33 (Over a year from now)	(3) Low
15.	Lack of BizTalk knowledge and experience.	5 (highly likely or almost certain)	3 (11-15% change)	1.0 (Within the next six months)	(2) Medium

6.0 Updated Economic Analysis Worksheets

Appendix C contains the EAW package for the proposed solution. It includes costing for an approach that involves migrating validated business rules to sustainable new technology to meet the business needs. The approach includes use of a contracted SV for the project deliverables related to the execution phase of the project. The CDSS intends to submit a BCP for FY 2016-17 to gain approval for three new ISD staff members who will ultimately provide M&O and help desk services for CECRIS. Contracted services for the proposed solution include the SV, IV&V, IPOC, OCM, Financial Systems Auditor and acquisition support. The CDSS and OSI have executed an inter-agency agreement to provide for CECRIS procurement support. Ancillary software, as annotated in the EAW, is necessary to facilitate success of the proposed solution. No additional costs for Data Center Services were incorporated in the EAW as CDSS will leverage the current lease space/equipment at OTech Tenant Managed Services for use in hosting the CECRIS solution.

Conclusion

The proposed solution in SPR 2 fulfills all business requirements in SPR 1, and compared to the Alternative 1 (a more realistic estimate of SPR 1):

- The estimated cost is reduced from \$14.8 million to \$10.6 million.
- The project duration reduced by six months by leveraging the RFO process.

In addition to the cost and duration reductions, the current proposal also has the additional benefit of utilizing Financial Systems Auditor and OCM expertise, making it a more efficient and effective approach with a better quality end product to meet the business needs.