



# Stage 1 Business Analysis

Department of Technology, SIMM 19A, Revision 7/1/2015

## 1.1 General Information

Agency or State Entity Name:

Secretary of State

Organization Code:

0890

Proposal Name:

CAL-ACCESS Replacement System (CARS)

Proposal Description:

The Secretary of State proposes to improve reliability, disaster recovery, and service to the public by replacing the current CAL-ACCESS system with one that is based on a more modern, flexible architecture.

Proposed Start Date:

July, 2016

Delegated Cost Threshold (Optional):

Over  Under

Department of Technology Project Number:

## 1.2 Submittal Information

Contact Information:

Contact First Name:

Chris

Contact Last Name:

Reynolds

Contact Email:

chris.reynolds@sos.ca.gov

Contact Phone Number:

(916) 695-1522

Submission Date:

12/28/2015

Submission Type:

- New Submission  Updated Submission (Pre-Approval)  
 Updated Submission (Post-Approval)  Withdraw Submission

Project Approval Executive Transmittal:



Exec\_Transmittal.pdf  
Adobe Acrobat Document  
2.54 MB

## 1.3 Preliminary Assessment

### 1.3.1 Reportability Assessment

Yes No

1. Does the Agency/state entity anticipate requesting a budget action to support this proposal?  Yes  No
2. Does the Agency/state entity anticipate the estimated total development and acquisition cost to exceed the Department of Technology's established Agency/state entity delegated cost threshold and the proposal does not meet the criteria of a desktop and mobile computing commodity expenditure?  Yes  No
3. Does this proposal involve a new system development or acquisition specifically required by legislative mandate or is subject to special legislative reporting or review as specified in budget control language or other legislation?  Yes  No

#### Anticipated Reportability

Is this proposal anticipated to be reportable?  Yes  No

#### Planned Reporting Exemption

Does the Agency/state entity anticipate seeking an exemption from project reporting? (Answer only if Anticipated Reportability above is "Yes.")  Yes  No

### 1.3.2 Impact Assessment

Yes No

1. Has the funding source(s) been identified for this proposal?  Yes  No

If "Yes," select applicable funding source(s) and enter the fund availability date. If funding source is "Other Funds," specify below:

**FUND SOURCE**  
Mark all that apply

**FUND AVAILABILITY DATE**

General Fund

FY 2016-17

Special Fund

FY 2015-16

Federal Fund

Reimbursements

Bond Fund

Other Funds

2. Will the State possibly incur a financial sanction or penalty if this proposal is not implemented? If "Yes," provide details in Section 1.9 Business Problem or Opportunity Summary.  Yes  No
3. Is this proposal anticipated to have high public visibility? If "Yes," provide details in Section 1.9 Business Problem or Opportunity Summary.  Yes  No
4. On a scale of 1 to 3 (1 = None, 2 = Partially, 3 = Fully), indicate how well the current business processes are documented, communicated and available for review. 2

## 1.4 Business Sponsor and Key Stakeholders

### Executive Sponsors

Title	First Name	Last Name	Business Program Area
COO	Kimberly	Gauthier	Executive Office

### Business Owners

Title	First Name	Last Name	Business Program Area
Division Chief	Chris	Reynolds	Political Reform Division

### Key Stakeholders

Title	First Name	Last Name	Business Program Area/Group	External
Chief Information Officer	TBD	TBD	Information Technology Division	<input type="checkbox"/>
Division Chief	Cindy	Hanneman	Management Services Division	<input type="checkbox"/>
Executive Director	Erin	Peth	Fair Political Practices Commission	<input checked="" type="checkbox"/>
Audit Program Manager	Pamela	Parra	Franchise Tax Board	<input checked="" type="checkbox"/>

### 1.5 Business Driver(s)

Mark all that apply

- Financial Benefit:**
- Increased Revenues
  - Cost Savings
  - Cost Avoidance
  - Cost Recovery
- Mandate(s):**
- State
  - Federal
- Improvement:**
- Better Services to Citizens
  - Efficiencies to Program Operations
  - Improved Health and/or Human Safety
  - Technology Refresh
- Security:**
- Improved Information Security
  - Improved Business Continuity
  - Improved Technology Recovery

### 1.6 Statutes or Legislation

- Statutes or Legislation:**
- New Statutes
  - Potential Legislation
  - Changes to Existing Legislation
  - Not Applicable

**Bill Number:**

**Legal Reference:**

**Additional Information:**

## 1.7 Program Background and Context

### *Program Summary*

In 1974, California voters approved Proposition 9, the Political Reform Act of 1974 (PRA). The PRA requires, among other things, the disclosure of campaign contributions and expenditures, and state lobbying activity. The requirements are intended to ensure: "Receipts and expenditures in election campaigns should be fully and truthfully disclosed in order that the voters may be fully informed and improper practices may be inhibited"; and "The activities of lobbyists should be regulated and their finances disclosed in order that improper influences will not be directed at public officials."

In 1997, the PRA was amended to include the Online Disclosure Act of 1997, a measure that paved the way for electronic and online submission of campaign and lobbying disclosure information over the Internet. This Act had the following two primary objectives: "Providing greater public access to vitally important information." and "The gradual elimination of paper filings of campaign finance and lobbying activity statements and reports."

The Online Disclosure Act led the Secretary of State (SOS) to develop and deploy a public website called the California Automated Lobby Activity and Campaign Contribution and Expenditure Search System (CAL-ACCESS), which is the public's window into California's campaign disclosure and lobbying financial activity.

To interpret and enforce the requirements of the PRA, the Fair Political Practices Commission (FPPC) was established. The FPPC has primary responsibility for the impartial administration, implementation and enforcement of the PRA. The FPPC works closely with the SOS, which is the primary filing office for state campaign and lobbying disclosure documents required under the PRA. The SOS and FPPC also work closely with the Franchise Tax Board (FTB), which is responsible for carrying out mandatory and random audits of filers and the disclosure data filed with the SOS.

The PRD administers the state filing requirements as set forth in the PRA. To assure the highest standards of data integrity and timeliness, the Political Reform Division (PRD) was established within the SOS. The PRD, staffed with 29 full-time positions, conducts a broad range of program activities to facilitate and monitor compliance with reporting requirements, and to provide public access to all data and filings. Over the last four two-year election cycles, the PRD has averaged approximately 97,000 campaign and lobbying filings in election years and 61,000 campaign and lobbying filings in non-election years. Since 1999, the earliest stages of CAL-ACCESS development, more than 1.2 million filings have been processed. A filing is a report or statement that can range in size from a single page to thousands of pages.

### *Program Description*

Specific activities of the PRD include:

#### **1. Campaigns**

- Registering and issuing identification numbers for all state and local campaign committees and slate mailer organizations that raise funds in connection with (non-federal) elections throughout California
- Receiving notices from all state candidates of their intentions to seek a specific office and whether they intend to abide by voluntary spending limits
- Receiving campaign disclosure statements (itemizing contributions received and expenditures made) filed by individuals and committees raising or spending campaign funds to support or oppose state candidates or ballot measures (Local campaign committees file itemized disclosure statements with local filing officers)
- Posting electronically filed campaign statements on the Secretary of State's CAL-ACCESS website

- Providing technical assistance regarding campaign disclosure provisions of the PRA to state and local candidates and elected officials, treasurers of campaign committees, and the general public
- Reviewing campaign documents to ensure compliance with registration and reporting requirements
- Providing public access to all campaign and lobbying activity disclosure documents
- Notifying filers who have failed to file a statement or report on time, and impose and collect fines for late filings
- Assessing and collecting annual fees from state and local qualified recipient committees, and assessing penalties on committees that fail to pay their annual fee on time
- Referring apparent violations of the PRA to the appropriate agencies
- Providing technical assistance to filers who use Cal-Online or file documents electronically through a vendor

## 2. Lobbying

- Registering lobbyists, lobbying firms, and lobbyist employers that make expenditures to lobby California State government
- Receiving lobbying disclosure statements filed by lobbyists, employers of lobbyists, and lobbying firms, and posting statements filed electronically or online on the Secretary of State's CAL-ACCESS website
- Providing technical assistance regarding lobbying disclosure provisions of the PRA to lobbyists, lobbying firms, lobbyist employers, and the general public
- Reviewing lobbying documents to ensure compliance with registration and reporting requirements
- Providing public access to all lobbying disclosure filings
- Publishing on the SOS website the Lobbying Directory at the start of every two-year legislative session
- Producing monthly Lobbying Directory updates on the SOS website
- Posting changes made to lobby registration on the SOS website (different from the directory, see Government Code section 86108)
- Notifying filers who have failed to file a statement or report on time, and imposing and collecting fines for late filings
- Referring apparent violations of the PRA to the appropriate agencies
- Providing technical assistance to filers who use Cal Online

PRA requirements are met by those subject to the law by submitting to the PRD specified information pertaining to campaign and lobbying activity on forms created by the FPPC. Currently, there are 36 forms administered by the PRD, and available via CAL-ACCESS and the FPPC website.

Amendments to the PRA and FPPC regulations often require new or different reporting requirements, which trigger form changes. The PRD must be able to incorporate these changes and additions so that full disclosure requirements can be met.

For campaign committees, depending on the attributes of the filer, there are three different campaign registration documents – candidate Statements of Intention to seek office; campaign committee Statements of Organization (including statements for candidate committees); and slate mailer Statements of Organizations. To report campaign activities, there are separate reports that may be filed, depending on the type of filer and the specific activities of a committee or filer, including contribution and expenditure reports; short-form filings (reporting no or minimal activity); major donor reports (for those making \$10,000 or more in contribution during the year); 24-hour contribution reports; 24-hour independent expenditure reports; slate mailer payment reports; paid spokesperson reports; and issue advocacy reports. Specific deadlines, dollar thresholds, and other circumstances specified in the law dictate the type of form and the timing for each of these filings.

For lobbying activity filers, seven different types of lobby registration forms must be filed to register, terminate or withdraw by lobbying firms; clients of lobbying firms; employers who employ a lobbyist directly (as opposed to hiring a firm); and individual lobbyists. To report lobbying activity, lobbyists, firms, employers, lobbying coalitions and government agencies, use eight different reports to disclose lobbying payments and activities, or to amend previously submitted filings depending on the type of filer.

Finally, two forms are available for use by all filers to request the waiver or reduction of penalties imposed for failing to file reports or statements by legal deadlines.

### Lobbying Directory Process

Every two years, the PRD is required to publish a Lobbying Directory of all registered state lobbyists, lobbying firms, and lobbyist employers. The PRA specifies the directory must be published within 140 days after the commencement of each regular session of the Legislature. In order to meet this requirement, the PRD begins working on the directory in November of the even year with the intention of completing the project by mid-spring of the odd year.

The review process is triggered by the receipt of a hardcopy lobbying registration packet. The lobbying review process is a manual effort conducted by a PRD program specialist and 2.5 PRD Program Technician IIIs. During the lobbying registration renewal period, as many as 11 additional staff members are re-directed to process registrations, and input the information required to complete the lobbying registration and filing, so that the Lobbying Directory can be published by the statutory deadline. This "all hands" effort requires coordination of resources and biennial training to refresh seasoned staff or train new staff on the manual, paper-driven registration process.

Furthermore, lobby registration workload has doubled and become increasing complex with enactment of AB 1743 (Chap 668, Stats of 2010), which requires placement agents – investors seeking partnerships with state retirement systems – to register as lobbyists. In the six years before AB 1743 took effect in 2011, an average of 1,254 and 275 employers registered as lobbyists; since then, an average of 2,346 lobbyists and 667 employers have registered for each two-year session.

**Auditing**

All documents filed with PRD are subject to FTB or FPPC audit. For example, all "general purpose" committees (those not primarily formed to support candidates or measures) that have received or spent more than \$10,000 and all candidates for the legislature in a special election who have raised or spent \$15,000 or more are subject to an audit. The FPPC determines the remainder of the audit workload in a series of random drawings conducted shortly after each two-year election cycle. Listed below are the auditing guidelines published by the FPPC:

- Statewide candidates who have raised less than or spent less than \$25,000:
  - 10% of these candidates are selected for audit
- Lobbying firms and lobbyist employers that employ one or more lobbyists:
  - 25% of the lobbying firms and 25% of the lobbyist employers are selected for a random audit
  - When a lobbying firm or employer is audited, the individual lobbyists who are employed by the firm or employer shall also be audited
- Legislative districts and contested superior court offices that have raised or spent \$15,000 or more:
  - 25% of the senate districts, assembly districts, and contested superior court offices are selected
  - Candidates who raised or spent \$15,000 or more in the selected races are subject to audit
- General purpose committees that have raised or spent more than \$10,000. Committees which have had no prior audit, or which have not previously been determined to be in compliance, are all subject to audit. Of those committees the FPPC had determined in a prior audit to be in compliance with the provisions of the Act, 25% are selected.
- A group of twenty local jurisdictions, including eight counties, eight cities, two school districts, and two special districts, are selected. If the FTB has additional audit hours available after completion of this workload, a second group of twenty jurisdictions is provided.
- Candidates for the Board of Administration of the Public Employees' Retirement System are subject to audit if they have received contributions aggregating \$5,000 or more for an election.

Both the FTB and the FPPC utilize reports generated by CAL-ACCESS to perform their audit functions.

**1.8 Strategic Business Alignment**

Strategic Business Goals	Alignment
<p><b>Goal 1 - Improve Customer Service</b></p> <p>Objective 1.1 - Improve and Expand Online Services</p>	<p>The CARS project will transform the campaign finance and lobbying activity filing process from the current paper / FTP/ online hybrid model to a fully online service model. CARS will provide a more intuitive interface, accept digital signatures as</p>

	allowed by statute, and provide a mechanism to pay fees/fines online.
<p><b>Goal 2 - Stimulate Civic Engagement</b></p> <p>Objective 2.1 - Promote Participation in the Electoral Process</p> <p>Objective 2.2 - Expand Access to Electoral Information</p>	<p>The streamlined online campaign reporting process will include help screens, guides, and templates that will assist campaign organizations (especially smaller / grass roots committees) in registering with the SOS and meeting their statutory reporting obligations. Real-time data validation with feedback to the user will reduce the re-work time and frustration for the filers, resulting in a better overall user experience.</p> <p>The CARS project will include an expanded online reporting interface that will provide flexible, in-depth analysis tools for SOS staff and external stakeholders alike. The new data model is expected to allow for easier data aggregation across elections, measures, campaigns, and lobbyists; thus providing a better picture of the relationships and sources of activity.</p>
<p><b>Goal 3 - Foster a Cohesive and Sustainable Organization</b></p> <p>Objective 3.3 - Enhance the Standardization of Work Products and Processes</p> <p>Objective 3.4 - Support the Sustainability of Institutional Knowledge and Infrastructure</p>	<p>The online campaign / lobbying reporting processes implemented by CARS will replace much of the manual verification processes with automated data validation and filing verification (with exception reporting) based on consistent business rules stored in the system and maintained by program area staff. PRD staff will then be free to work the more complex issues raised through exception reporting and to work with filers to improve the quality and compliance of their submissions.</p> <p>Program business rules will be primarily stored in and enforced by the filing application / database. This serves as a program-maintained repository for the most critical institutional knowledge, allowing continuity regardless of the staff utilizing the system. CARS will be developed using the minimum number of programming languages possible to create an effective system. The selected languages will be chosen for the applicability to SOS' IT architecture and its ability to maintain them.</p>
<b>Strategic Plan Last Updated</b>	6/1/2012

## 1.9 Business Problem or Opportunity Summary

The current campaign finance and lobbying activity filing process is a paper/FTP/online hybrid model that results in inefficient (often manual) processes, duplicate efforts, sub-optimal data quality, and public disclosure reporting that does not meet the needs of many of PRD's stakeholders. Electronic filing and revenue collection is hampered by the lack of a secure interface that can accept digital signatures and online payments.

The State Legislature via widely supported legislation (SB 3, Yee (2013) and SB 1442 (Lara, 2014), and many PRD stakeholders have expressed a desire to move the campaign finance and lobbying activity reporting processes away from the current paper, form-based model to one that is electronic/online. To do that requires a filing and reporting system that is reliable, accurate, secure, and has the flexibility to adapt to new, mandated reporting requirements with little risk to existing system functionality.

The current CAL-ACCESS system, which is mission critical, is a conglomeration of component applications that were developed at different times using multiple now-obsolete development languages, platforms, and technologies. This makes it increasingly difficult to find staff or vendor support with the necessary technical skills to sustain and maintain the system applications. Additionally, the current system is not well-documented,

which makes the provision of support and/or modifications time-consuming and extremely risky.

In fact, on November 30, 2011, CAL-ACCESS became inoperable for four weeks. The outage occurred immediately after an election when no filings were due. Were an outage to occur during an election or on or near a filing deadline, the effects would be significant because filers would face significant obstacles to meeting legal requirements; and the public would be significantly hindered in its ability to track campaign and lobbying activity. Recovering from that total outage was complicated by the obsolete system architecture, the limited availability of replacement components, and the scarcity of personnel with the necessary technical skills. The solution that resulted from that emergency allows the system to continue functioning, but did little to resolve the underlying issues. The risk of another failure continues to be significant.

All PRD and stakeholder operations are hampered by the inherent inability of CAL-ACCESS to support accurate, efficient, and effective online filings. This is mainly due to lack of automated data validation at input resulting in delays in data correction due to the need for manual review and processing. This requires post-filing error notification to the filers and their formal corrective responses, which adds time and effort to the correction cycle. Additionally, the system cannot generally be modified to respond to changes in legal requirements or filing processes, particularly when those changes trigger modifications to the forms used by filers and viewed by the public. These limitations have resulted in workarounds (e.g., using the comments, free-form text field to capture information) and stakeholders compromising on the information they need or want (e.g., the FPPC minimizes regulatory actions that necessity form changes because it knows the system cannot accommodate such changes).

Replacing CAL-ACCESS will give the SOS the opportunity to improve efficiency and customer service using mechanisms such as electronic workflow and online / electronic communication with users. Additionally, improved data validation will lead to better data quality, and the opportunity to provide more transparency and a wider range of reporting to our customers. The new architecture will provide improved tracking of filings, which will allow SOS to better audit the process and monitor the quality of work. Improved data quality and audit / enforcement capabilities will ensure the SOS is providing the most timely and accurate data possible to the voters of California and other stakeholders.

## 1.10 Business Problem or Opportunity and Objectives Table

### ID Problems or Opportunities

1 PRD and Stakeholder business operations are negatively affected by the lack of data integrity resulting from inadequate automated validation and the manual processing of approximately 51,000 filings per election cycle

#### Obj # Objective

1.1 Reduce the amount of PRD campaign and lobbying registration manual data entry by at least 50% by 2020.

Metric	Baseline	Target	Measurement Method
Count of filings keyed into the system over a two year period	51,000	25,500	Count of manually-entered filings extracted from the database

#### Obj # Objective

1.2 Reduce the amount of PRD campaign and lobbying filing manual review and error correction by at least 50% by 2020.

Metric	Baseline	Target	Measurement Method
Staff hours spent on manual review of campaign and	25,300	12,650	Analysis of staff and management workload reporting for payroll

lobbying disclosure reports.

**Obj # Objective**

1.3 Enhance validation of filing data to decrease the number of incomplete filings and subsequent follow up by at least 25% by 2020.

Metric	Baseline	Target	Measurement Method
Count of correspondence sent to address filing exceptions within a two year period	16,500	12,375	Count of relevant correspondence types and Form 410 filing rejections extracted from the database

**Obj # Objective**

1.4 Provide complete and accurate information reporting by creating a base of integrated data that includes all campaign and lobbying information, an integrated reporting toolset in the solution environment and elimination of manual logs by 2020.

Metric	Baseline	Target	Measurement Method
CARS must provide a database that contains all campaign and lobbying data, including history, and an integrated reporting toolset that has inquiry access to all data. CARS should eliminate the need to maintain manual logs or tracking outside the system.	Qualitative	N/A	The CARS database contains all campaign and lobbying data, including history, as evidenced by the database schema, data dictionary, and details from the data conversion. Also, users are provided with an integrated reporting toolset that has inquiry access to all data, as evidenced by the toolset data library.

**Obj # Objective**

1.5 Support PRD and stakeholder efforts to ensure complete and accurate filings, and subsequent monitoring, by providing automated validation and tracking of filer information by 2020.

Metric	Baseline	Target	Measurement Method
CARS must have automated data validation and filer tracking functionality.	TBD	TBD	The CARS solution has automated data validation and filer tracking functionality that fulfills the PRD documented requirements.

**ID Problems or Opportunities**

2 PRD and Stakeholder business operations are at risk due to old unsupported information technology, which cannot be modified without substantial risk.

**Obj # Objective**

2.1 Provide a flexible system, based on current technologies, that enables changes to data and processes in a timely manner by 2020. This will enable timely changes to the system mandated by legislative changes and allow form changes by the PRD and the FPPC.

Metric	Baseline	Target	Measurement Method
CARS must be based on current widely used	Maintain the system as is and	All justifiable system change	In response to reports taken from Service Request system

technologies and provide functionality to enable timely enhancements to the system to accommodate statutory or regulatory changes.

operational

requests are performed

**Obj # Objective**

2.2 Provide complete and accurate information reporting by creating a base of integrated data that includes all campaign and lobbying information, including an integrated reporting toolset in the solution environment and elimination of manual logs by 2020.

Metric	Baseline	Target	Measurement Method
CARS must provide a database that contains all campaign and lobbying data, including history, and an integrated reporting toolset that has inquiry access to all data. CARS should eliminate the need to maintain manual logs or tracking outside the system.	Qualitative	N/A	The CARS database contains all campaign and lobbying data, including history, as evidenced by the database schema, data dictionary, and details from the data conversion. Also, users are provided with an integrated reporting toolset that has inquiry access to all data, as evidenced by the toolset data library.

**Obj # Objective**

2.3 Increase transparency into campaign and lobbying activity through a redesigned website that allows users to more efficiently locate and retrieve meaningful data by 2020.

Metric	Baseline	Target	Measurement Method
CARS must provide web-based automated data inquiry and reporting capabilities that allow for user-defined queries and graphical representations of data.	2013 Stakeholder Survey Results showed 100% of users were dissatisfied with reporting interface	50% improvement in stakeholder satisfaction	Post-Implementation Stakeholder Survey

**Obj # Objective**

2.4 Provide automated processes to notify filers of suspected non-filing of periodic (semiannual and pre-election) reports to reduce staff time devoted to manual non-filer notification, manual tracking of non-filer notice response, and potential referral to the FPPC by 25% by 2020

Metric	Baseline	Target	Measurement Method
Count of non-filer correspondence generated over a two year period.	3,588	2,153	Extract / Report of the count of "Non Filer First Notice" correspondence created in the system

**ID Problems or Opportunities**

3 PRD and Stakeholders have limited information access and reporting capabilities

**Obj # Objective**

3.1 Provide complete and accurate information reporting by creating a base of integrated data that includes all campaign and lobbying information, an integrated reporting toolset in the solution environment and elimination of manual logs by 2020.

Metric	Baseline	Target	Measurement Method
CARS must provide a database that contains all campaign and lobbying data, including history, and an integrated reporting toolset that has inquiry access to all data. CARS should eliminate the need to maintain manual logs or tracking outside the system.	Qualitative	N/A	The CARS database contains all campaign and lobbying data, including history, as evidenced by the database schema, data dictionary, and details from the data conversion. Also, users are provided with an integrated reporting toolset that has inquiry access to all data, as evidenced by the toolset data library.

**Obj # Objective**

3.2 Expand the FPPC and the FTB audit capabilities by providing data integrity and enhanced access and reporting, reducing the amount of manual intervention and validation required by at least 156% by 2021.

Metric	Baseline	Target	Measurement Method
The FTB conducted 219 audits with a budget of \$1.583 million in FY 2011/12.  The FPPC anticipates significant staff hour savings and process efficiencies in several business areas.	219 FTB Audits with \$1.583 million budget	35 additional audits with same budget	Audit statistics provided by FTB

**Obj # Objective**

3.3 Support PRD and stakeholder efforts to ensure complete and accurate filings, and subsequent monitoring, by providing automated validation and tracking of filer information by 2020.

Metric	Baseline	Target	Measurement Method
CARS must have automated data validation and filer tracking functionality.	TBD	TBD	The CARS solution has automated data validation and filer tracking functionality that fulfills the PRD documented requirements.

**Obj # Objective**

3.4 Increase transparency into campaign and lobbying activity through a redesigned website that allows users to more efficiently locate and retrieve meaningful data by 2020.

Metric	Baseline	Target	Measurement Method
CARS must provide web-based automated data inquiry and reporting capabilities that allow for user-defined queries and graphical representations of data.	2013 Stakeholder Survey Results showed 100% of users were dissatisfied with reporting interface	50% improvement in stakeholder satisfaction	Post-Implementation Stakeholder Survey

**Obj # Objective**

3.5 Reduce PRD staff time for identification and tracking of delinquent filings, assessment and collection of fines, and waiver processing by 25% by 2021.

Metric	Baseline	Target	Measurement Method
Staff time spent for assessing fines, collecting fines, and processing waivers.	4,210 Hours / yr.	2,526 Hours / yr.	Analysis of staff and management workload reporting for payroll

**ID Problems or Opportunities**

4 Redirection of PRD staff from manual processing, data entry, and error correction to customer support and enforcement.

**Obj # Objective**

4.1 Reduce the amount of PRD campaign and lobbying registration manual data entry by at least 50% by 2020.

Metric	Baseline	Target	Measurement Method
Count of filings keyed into the system over a two year period.	51,000	25,500	Count of manually-entered filings extracted from the database

**Obj # Objective**

4.2 Reduce the amount of PRD campaign and lobbying filing manual review and error correction by at least 50% by 2020.

Metric	Baseline	Target	Measurement Method
Reduce the amount of PRD campaign and lobbying filing manual review and error correction by at least 50% by 2020. Staff hours spent on manual review of campaign and lobbying disclosure reports.	25,300/yr.	12,650/yr.	Analysis of staff and management workload reporting for payroll

**Obj # Objective**

4.3 Enhance validation of filing data to decrease the number of incomplete filings and subsequent follow up by at least 25% by 2020.

Metric	Baseline	Target	Measurement Method
Count of correspondence sent to address filing exceptions within a two year period.	16,500 /yr.	12,375 /yr.	Count of relevant correspondence types and Form 410 filing rejections extracted from the database

**Obj # Objective**

4.4 Reduce PRD staff time for manual processing of paper filings by at least 50% by 2022, and also eliminate filers' time and costs to submit the paper filing information. This will also support the California Green Initiative.

Metric	Baseline	Target	Measurement Method
Staff hours spent on intake and processing of the paper copies of filings (i.e., activities that would not be done if filings were only submitted electronically).	25,300 Hours / Yr.	12,650 Hours / Yr.	Analysis of staff and management workload reporting for payroll

**Obj # Objective**

4.5 Expand the FPPC and the FTB audit capabilities by providing data integrity and enhanced access and reporting, reducing the amount of manual intervention and validation required by at least 15% by 2021.

Metric	Baseline	Target	Measurement Method
The FTB conducted 219 audits with a budget of \$1.583 million in FY 2011/12.	219 FTB Audits with \$1.583 million budget	35 additional audits with same budget	Audit statistics provided by FTB
The FPPC anticipates significant staff hour savings and process efficiencies in several business areas.			

**Obj # Objective**

4.6 Support PRD and stakeholder efforts to ensure complete and accurate filings, and subsequent monitoring, by providing automated validation and tracking of filer information by 2020.

Metric	Baseline	Target	Measurement Method
CARS must have automated data validation and filer tracking functionality.	TBD	TBD	The CARS solution is implemented with automated data validation and filer tracking functionality that fulfills the PRD documented requirements.

**ID Problems or Opportunities**

5 Reduce Filer errors, improve compliance, and improve accuracy of public information through the use of automated filing templates and processes.

**Obj # Objective**

5.1 Reduce the amount of PRD campaign and lobbying filing manual review and error correction by at least 50% by 2020.

Metric	Baseline	Target	Measurement Method
Staff hours spent on manual review of campaign and lobbying disclosure reports.	25,300 hrs./yr.	12,650 hrs./yr.	Analysis of staff and management workload reporting for payroll

**Obj # Objective**

5.2 Enhance validation of filing data to decrease the number of incomplete filings and subsequent follow up by at least 25% by 2020.

**Measurement**

Metric	Baseline	Target	Method
Count of correspondence sent to address filing exceptions within a two year period	16,500	12,375	Count of relevant correspondence types and Form 410 filing rejections extracted from the database
<b>Obj #</b>	<b>Objective</b>		
5.3	Reduce PRD staff time for manual processing of paper filings by at least 50% by 2022, and also eliminate filers' time and costs to submit the paper filing information. This will also support the California Green Initiative.		
Metric	Baseline	Target	Measurement Method
Staff hours spent on intake and processing of the paper copies of filings (i.e., activities that would not be done if filings were only submitted electronically).	25,300 Hours / Yr.	12,650 Hours / Yr.	Analysis of staff and management workload reporting for payroll.
<b>Obj #</b>	<b>Objective</b>		
5.4	Expand the FPPC and the FTB audit capabilities by providing data integrity and enhanced access and reporting, reducing the amount of manual intervention and validation required by at least 15% by 2021.		
Metric	Baseline	Target	Measurement Method
The FTB conducted 219 audits with a budget of \$1.583 million in FY 2011/12.	219 FTB Audits with \$1.583 million budget	35 additional audits with same budget	Audit statistics provided by FTB
The FPPC anticipates significant staff hour savings and process efficiencies in several business areas.			
<b>Obj #</b>	<b>Objective</b>		
5.5	Support PRD and stakeholder efforts to ensure complete and accurate filings, and subsequent monitoring, by providing automated validation and tracking of filer information by 2020.		
Metric	Baseline	Target	Measurement Method
CARS must have automated data validation and filer tracking functionality.	TBD	TBD	The CARS solution has automated data validation and filer tracking functionality that fulfills the PRD documented requirements.
<b>Obj #</b>	<b>Objective</b>		
5.6	Reduce PRD staff time for identification and tracking of delinquent filings, assessment and collection of fines, and waiver processing by 25% by 2021.		
Metric	Baseline	Target	Measurement Method
Staff time spent for assessing fines, collecting fines, and processing waivers.	4,210 Hours / yr.	2,526 Hours / yr.	Analysis of staff and management workload reporting for payroll

Obj #	Objective
5.7	Provide automated processes to notify filers of suspected non-filing of periodic (semiannual and pre-election) reports to reduce staff time devoted to manual non-filer notification, manual tracking of non-filer notice response, and potential referral to the FPPC by 25% by 2020

Metric	Baseline	Target	Measurement Method
Count of non-filer correspondence generated over a two year period.	3,588	2,153	Extract / Report of the count of "Non Filer First Notice" correspondence created in the system

## 1.11 Business and Stakeholder Capacity

### 1.11.1 Business Program Priorities

Yes No

Does this proposal share resources (state staff, vendors, consultants or financial) with other business program priorities within the Agency/state entity?

The overwhelming majority of business staff effort necessary to complete this project will come from the PRD. The PRD is the sole business unit responsible for processing, maintaining, and disseminating campaign finance and lobbying activity filings made by committees and lobbying entities. To the extent that the chosen solution will accept online fine and fee payments, it will be necessary to involve select staff from the SOS Fiscal Section and the Information Security Officer (ISO) to validate payment formats and security protocols.

During this project, the SOS will be in the final stages of completing deployment of its federally mandated statewide voter registration system (VoteCal), and will be actively pursuing automation of its business filings functions (California Business Connect). Management from both Fiscal and the ISO have been involved in the development of this proposal and are aware that there will be some need for involvement of staff for specific tasks during project execution, primarily during requirements gathering and testing. In addition, the SOS currently has a weekly Division Chiefs meeting that also includes a representative from the executive office. Through this forum, agency priorities can be continually evaluated and resource allocation decisions can be made. This project is regularly reported on during the Division Chiefs meeting.

Previous large projects at the SOS have also employed an Executive Steering Committee comprised of executive leadership, affected business area and Information Technology representatives. It is to be expected that the CARS project will also utilize this model as another means of communication and priority-setting.

### 1.11.2 External Stakeholder Involvement

While PRD is the sole business unit responsible for processing, maintaining, and reporting the campaign finance and lobbying activity filings that are made by committees and lobbying entities, there are external stakeholders that use the data collected by CAL-ACCESS. These stakeholders include:

- Fair Political Practice Commission (FPPC)
- Franchise Tax Board (FTB)

As described in Section 1.7, the FPPC primarily utilizes the filing data collected by PRD through reports to support its enforcement efforts, and to develop ad hoc, analytical reports. The FPPC will not report any system data or update any information. PRD works closely with the FPPC on a number of issues, so we are aware of their ongoing challenges with our existing system. In addition, the FPPC has provided input for this proposal and has been included in our stakeholder outreach used to develop the initial business requirements for the project. During project execution, it is expected that the PRD Division Chief will maintain a formal dialogue with the FPPC Executive Director and its Enforcement staff as detailed by a project Communication Plan to ensure that FPPC business needs are included in the project's Business Requirements. The ongoing resource commitment by the FPPC is expected to be minimal and limited to requirements validation and testing.

The FTB is another entity that uses PRD filing data through reports to support its audit activities. The FTB has also been included in our initial stakeholder outreach and some of their business needs have been incorporated into the objectives for this proposal. These business needs/objectives are expected to be included in the final project Business Requirements. PRD expects to have an ongoing dialogue with the FTB during project execution as defined in a project Communication Plan. The ongoing resource commitment by the FTB is expected to be minimal and limited to requirements validation and testing.

Both the FPPC and the FTB are essentially consumers of information via reports, though they will continue to require read-only access to the staff-only portions of the system for research purposes. It is, therefore, unlikely that either agency will be involved in the selection of alternatives or be required to change their business processes as a result of this project, although it is expected that the research gathering portion of the business processes will be enhanced and more efficient. They will likely have different screens to view and report layouts compared with the current system, which will require some adjustment and training. PRD expects to provide the necessary training to FPPC and FTB staff as specified in an Implementation Plan.

In addition to the key stakeholders identified above, there are additional external stakeholders whose needs must be considered during project design and implementation. Those stakeholders include:

- Public
- Media
- Vendors
- Campaign Filers and lobbying entities

The public and media will use CARS exclusively through the reporting interface that will be deployed on the PRD website, or in a much smaller subset of cases, through a bulk download of raw data for which the SOS does not expect to provide assistance or technical support. The primary objective of these users is to obtain information related to candidate contributions, ballot measure funding, independent expenditures, campaign spending, and lobbying activity and expenditures made to influence governmental decision. PRD has performed stakeholder outreach to various advocacy groups who represent these interests. Some of what was heard has been included in the objectives of this proposal and is expected to be further included in the project's Business Requirements. It is not expected that the public, the media, or their representatives will be directly involved in any part of project execution.

Campaign and lobbying filers and vendors, filing on behalf of clients, will be interacting with the project on a different level than the other stakeholders. Filers and vendors will use the system to electronically transmit statutorily-required filings to the SOS. While the PRD has included representatives from these groups in its stakeholder outreach, the data that they are required to file and the timing of such filings is determined by statute. The PRD expects to include their input in the development of the project Business Requirements to the extent that it is consistent with the relevant statutes. The new system interface, including the potential for all-electronic filing, digital signatures, and electronic payments, may require that these stakeholders change their internal business processes. It should be noted that many of these potential changes are functional improvements that were mentioned or noted by the stakeholders as desirable. The PRD expects that the process changes that may be required will be reasonably-well accepted by these stakeholders. It is not expected that the filers, vendors, or their representatives will be directly involved in any part of project execution.

**1.11.3 New or Changes to Business Processes**

**Yes No**

Does the Agency/state anticipate this proposal will result in the creation of new business processes?

Does the Agency/state entity anticipate changes to existing business process?

The project anticipates moving the PRD campaign finance and lobbying activity reporting processes from the current paper/FTP/online hybrid model to one that is primarily online. As a result, most of the current PRD processes will be required to change. The PRD processes can generally be divided into four categories:

- Filing
- Registration

- Public Disclosure
- Enforcement

The “Filing” processes have many nuances based on the type of form currently being filed, but they are essentially variations on the following themes:

**Paper Only** – A filer submits a paper form via mail or in person to PRD. The PRD staff keys appropriate information into the system and files the paper in a folder on the appropriate shelves for original filings and for copies available for public inspection. Any correspondence related to the filing is keyed into the system as well, sometimes using built-in templates, where it is maintained for later access or review. All filer correspondence must be manually printed out and mailed by staff.

**Electronic / Paper** – Some filers are required by statute to submit certain filings electronically. They can do this either through the online utility (Cal-Online) accessible through the PRD website or via an FTP process that is generally used only by vendors performing the filings on behalf of campaign committees or lobbying entities. Regardless of the input, the filer is still required to submit a paper copy of most campaign filings. The current system uses an “extract, transform, and load” (ETL) process to take the filings made via FTP and parses the data into the correct database tables. In the current process, PRD staff waits for the paper version of the filing, matches the paper with the electronic version, performs a review process, keys certain information into the system depending on the form, takes any further action that may be required for an incorrect or late filing, and files the paper copy on the appropriate shelf.

**Electronic Only** – A number of filings (mostly quarterly disclosure reports filed by lobbying entities) are only submitted electronically through the CAL-ACCESS online filing system (Cal-Online) or through a vendor via the FTP process described immediately above. Staff is required to manually run various reports to determine which filings have been received so that they can be reviewed or further action can be taken on late or incorrect filings.

All of these filing processes are expected to change when the new system is implemented. As the new model is anticipated to be almost completely online, the processing of paper streams will be eliminated. The business process for PRD staff side will then change from a matching and reviewing effort to one that uses system-generated exception reports to identify filings that need staff attention. Some automation of the correspondence is also expected, though staff will still likely have a manual correspondence process for exceptions. Up-front, system data validation should reduce the error rate and keep exceptions to a minimum.

From the filers’ side, internal processes may need change depending on the interfaces selected to submit filings electronically. For example, the existing process of creating a large text flat-file that is uploaded to SOS servers via FTP may become an .xml file that is uploaded through the SOS website with the click of a button. Even though these types of changes were common themes in the initial stakeholder outreach, the PRD realizes that such changes will have an effect on the filer community. The project vendor contract and the Project Plan will, by necessity, include a substantial education and outreach component to meet the needs of the filer communities and vendors directly, and through their various advocacy groups.

“Registration” processes for *lobbying entity registration* is largely a biennial process that occurs during the statutorily-specified renewal period for re-registration of existing lobbying entities for the upcoming election cycle. Essentially, PRD staff creates a packet of forms that is required for each type of lobbying entity (firm, lobbyist, and employer). A report is manually run in the system to generate the list of current lobbying entities that need to re-register. This list is used to manually create cover letters that go with the appropriate packet to the lobbying entity. The lobbying entities return the packets along with the required fee (see “Enforcement”) and the required lobbyist photos. PRD staff reviews each packet for completeness, keys appropriate information into the system, processes the payments, and scans the photos for inclusion in the Lobbying Directory.

PRD staff follows up by phone, mail or email with filers who submit incomplete or incorrect information. There are no fines associated with this process, but lobbyists who do not complete the process correctly are legally prohibited from performing lobbying activities pending completion of the registration process. The registration process also includes using stand-alone applications that match lobbyist photos with the necessary information that generates the Directory. These programs must be run manually by PRD staff once all information is keyed appropriately. The end result is that PRD staff manually takes these files and generates the Lobbying Directory that is required to be posted online as a PDF document.

Changing to an online registration model will likely mean that some type of automated notification will be sent to lobbying entities containing links to the appropriate pages that need to be completed. The photos will likely be uploaded online and mandated registration fee payments made through a secure interface. These are significant, though not necessarily unwelcome, changes that will once again require planning for extensive outreach and education of the filers.

*Campaign registration* occurs in a more ad hoc manner, and for state candidates includes an additional step. Pursuant to Proposition 34, adopted by the voters in November 7, 2000, after the deployment of CAL-ACCESS, candidates for state offices are required to file a Statement of Intention to seek office as an initial step for seeking office. This initial step is separate from forming a campaign candidate. However, the Statement of Intention document is not among the suite of forms available through and cannot be filed via CAL-ACCESS. All campaign committee (including candidate committee) registration documents, called Statements of Organization, are manually processed for three reasons. First, data filed through the CAL-ACCESS electronic filing system does not populate the Automated Management System (AMS), the back-office system used to administer the program, so the Statements of Organization data must be manually input into AMS to create a permanent record of the campaign committee to which all correspondence, filing history, fine assessment and fee payment accounting is attached. Second, the Statement of Organization must be reviewed by staff to ensure it meets the filing requirements for committee naming conventions and to ensure all required information has been provided, functions that must be performed by staff and cannot be performed by the CAL-ACCESS filing system. Third, the document must be signed under penalty of perjury, and the CAL-ACCESS electronic filing system has no mechanism for capturing a digital signature or its equivalent. Making these forms available that include data validation mechanisms to ensure the document is complete to the extent possible; providing a means of electronic signature by filers; creating a process for staff review before the document is accepted; and allowing for electronic notification to filers when the document has been processed and a campaign ID number issued are expected features of a new system that will change the process significantly for staff and filers. \_

The "Public Disclosure" process is currently essentially an automated one that takes data from the database that is filed electronically or input by staff and makes it publicly available on the PRD website through "regular" or "advanced search" pages available through CAL-ACCESS. While there are likely to be changes to the filing interface, the data model, and the public disclosure reporting functionality, these changes are expected to be made by replacing or modifying existing applications to perform the new tasks in an automated fashion. There is no expectation that the business processes and procedures used by SOS staff will change.

The "Enforcement" processes consist primarily of assessing fines for late filings, referral of non-filers to the FPPC for action, or assessment of recurring fees for lobbyists and committees.

Fines are currently assessed after PRD staff reviews the paper and/or electronic filing and determines that a fine may be owed based on any discrepancy between legal deadlines for submitting the filing and the actual filing date of the filing. The original reviewer generally prepares documentation, which is manually placed in a basket for further review, to determine the necessity and amount of any fine. The fine is keyed into the system by staff and correspondence to the filer is generated and maintained within the application; however, it must be manually printed and mailed to the filer.

The current system includes some built-in reports that can be manually launched to determine potential non-filers during a given timeframe. PRD staff generates and works these reports by investigating the facts and creating correspondence in the system that notifies non-filers that they may/will be referred to the FPPC. This correspondence uses built-in system templates, but again, the documents must be manually printed and mailed.

Recurring fees for lobbyists are handled as part of the registration process above. Essentially, PRD staff manually detaches the check from the registration packets and creates a receipt in the system. The check and receipt are noted on the package for later use. Check information is manually entered into a log outside the system, which is used to reconcile receipts at the end of the day and prepare the transmittal to be taken with the checks to Fiscal.

Recurring fees for committees are assessed by manually launching batch processes in the system. These processes determine which committees are required to pay fees, creates a "receivable" for the appropriate committees in the system, and generates a listing of affected committees that is used by staff to manually create notices of fees owed, which will be mailed to the filers. When the fees are paid by a committee, the

check is processed by creating a receipt in the system and logging the check into the manual log. The receipt is passed to another staff member who applies the payment to the receivable. Checks are reconciled and sent to Fiscal as above.

The project is also expected to change these enforcement / payment processes. A more robust online system will automate the process of creating the receivables and posting payments against them. Online payments will be automatically posted with PRD or Fiscal staff handling exception items coming from a report. Receipts will be system-generated and e-mailed, instead of being keyed by staff. PRD staff will still need the ability to accept payments received by cash/ check but the process and reconciliation will use an interface with the same system rather than a separate check log.

To the extent that online payments will be the new norm, the project will work closely with Fiscal section to make sure that the interface between the new system and its existing system (either automated or manual) meets its accounting needs and requirements. Additionally, the ISO will be involved in project development to make sure new procedures or policies are consistent with SOS security policies.

The major PRD process flows were documented at a detailed level in 2008. The PRD processes are well-established and well-understood within the organization. Because they are based largely on statutory requirements, those processes do not generally change. Key processes have been relatively stable for a number of years. Therefore, the 2008 documentation is still valid and will serve as a baseline for migrating to the future state under a new system.

## 1.12 Organizational Readiness

### 1.12.1 Governance Structure

Yes No

Does the Agency/state entity have an established governance structure for combined business and IT decision making, including information security and privacy?

The agency has existing processes used for combined business and IT decision making, including an annual planning process via the IT Capital Plan, and a budget process used to develop proposals collaboratively and achieve consensus on making budget recommendations to the Department of Finance. These processes include all Division Chiefs, the Chief Operations Officer, and Executive staff. The agency conducts weekly Division Chief meetings that include representatives from the agency's six divisions, and Executive Office representatives, including the Secretary and Chief Deputy, the General Counsel, the Legislative Director, the Communications Office and the Chief Operations Officer (COO). These meetings include discussions of agency priorities, strategies, and resources. The ITD management team also meets weekly to discuss the project portfolio, assess resource needs, and evaluate enterprise project priorities in preparation for the CIO's regular meeting with the COO, who is responsible for resources and budgeting across all divisions.

The agency is currently using regularly scheduled monthly Executive Steering Committee meetings, and meetings on an "as needed" basis, to guide the VoteCal project (development of a statewide voter registration database mandated by federal law). In 2005, to implement the federal Help America Vote Act (HAVA), the agency instituted an interdisciplinary team, including representatives from the Executive Office, IT Division, Fiscal Office, Elections Division, and a HAVA coordinator to guide implementation of federal mandates that continues to this day to meet weekly. These processes will be leveraged and adapted to meet the governance needs of the CARS project.

Finally, the agency Information Security Officer (ISO) is routinely consulted with respect to treatment of data such as personally identifying information for an online voter registration project implemented in 2013. The ISO consults with the divisions responsible for the VoteCal project; meets on a weekly basis with the CIO and ITD senior management team; and provides annual, agency wide information security and privacy training to all agency staff.

### 1.12.2 Leadership Participation

Identify the levels of leadership that are aware of and engaged in addressing the business problem(s)/

Executive

opportunity(ies) identified in this proposal (check all that apply):

- Senior Management Business/Program
- Mid-level Management Business/Program
- Senior Management IT
- Mid-level Management IT
- Enterprise Architect

Executive leadership on the project will be provided by the Deputy Secretary of State – Chief Operations Officer (COO). The COO will serve as the Executive Sponsor of the project and as a member of the project steering committee. The COO has management responsibility for the primary business program(s) affected by this proposal as well as for information technology. The COO will provide resources and strategic direction with an enterprise view and will be expected to resolve/mediate issues that cannot be handled at lower levels in the project team.

The steering committee is expected to meet regularly over the course of the planning and execution of the project. The project charter, communications plan, and associated project planning documents will specifically spell out the expectations and commitment for this, and the other leadership roles in the project.

The primary business area will be represented at the senior level by the PRD Division Chief. This person shall also serve on the project steering committee. The PRD Division Chief is the business owner and is ultimately responsible for business functionality of the solution. As such, the PRD Division Chief will be responsible for providing the necessary subject matter experts to develop and validate business requirements that will result in an acceptable solution. The current PRD Division Chief, Chris Reynolds, comes in with significant experience in successfully implementing statewide business/technology efforts that involved real changes in the way diverse groups of stakeholders performed their functions. Through the use of high-levels of communication and coordination, Mr. Reynolds directed the successful implementation of the federally-mandated Help America Vote Act (HAVA) processes and "Cal Voter" technologies throughout the state. Mr. Reynolds currently also serves as the agency's primary liaison with the Fair Political Practices Commission, one of the CARS project's key external stakeholders.

The mid-level of business area management will be represented by the PRD Assistant Division Chief. This manager will be responsible for the day-to-day guidance of the business program team during the procurement and execution phases of the project. The Assistant Division Chief will have primary responsibility for allocating resources (subject matter and technical) to meet the needs of the project while maintaining PRD's services to the public. The current PRD Assistant Division Chief, Mary Wray, brings over 20 years of government-oriented experience in the planning and execution of important program initiatives. Ms. Wray has leveraged her communication, collaboration, and negotiating skills to successfully complete large projects ranging from urban re-development to facility construction / expansion to the implementation of public service programs.

The senior level of IT management will be represented by the Chief Information Officer (CIO), who shall also sit on the steering committee. The CIO will ultimately be responsible for providing sufficient in-house technical resources to achieve the project objectives as well as for managing any contract staff serving in a technical capacity.

The second level of IT management will consist of the Manager of Application Development and Support (currently, Christine McKenzie, PMP - DPM III). This level of management will provide input and review of Stage 2 of this proposal (and later stages) from an IT perspective. This ITD manager will also be responsible for the tactical allocation of resources and technical aspects of the project during the execution phases.

Other key internal and external stakeholders, such as SOS Fiscal or the FPPC, will be kept informed through regular communication and outreach that will be detailed in the project charter and communication plan documents during the planning process. These entities will also be included at some level in the alternatives analysis as some alternatives may have a significant impact on their business operations that will need to be considered before a selection is made.

### **1.12.3 Resource Capability/Skills/Knowledge for Stage 2 Alternatives Analysis    Yes    No**

Does the Agency/state entity anticipate requesting additional resources, through a budget

request, to further study this proposal and/or perform procurement analysis?



Of the Agency/state entity resources identified to perform Stage 2 Alternatives Analysis for this proposal, enter the number of staff who have had experience with planning projects of a similar nature.

3

State staff identified below are expected to be the primary team involved in the completion of Stages 2, 3, and 4 of the Project Approval Lifecycle. It is expected that this staff will be re-directed from their current assignments and that they will not be included in the initial budget request. During project execution, a more full-time focus will be required of this project team. Additional technical and business staff will also be required during execution. As a result, a budget request will likely have to include additional funds during project execution. In addition, the SOS is currently planning to augment the state team with contractors to perform specific functions related to the Project Approval process. It is expected that a budget request in the range of \$850,000 for these initial contract services will be submitted as soon as practicable. These functions include, but are not limited to:

- Project management support for the development of the project timeline, procurement strategy, and formal solicitation\*
- Independent Validation and Verification (IV&V) services during the planning and procurement processes\*
- Department of Technology staff will be used on a consulting basis, for which a fee applies
- Department of General Services may be used during development of the solicitation and award of the contract (consulting fees apply for these services as well)

*\* These contract services will also be required for different tasks during project execution. It is expected that the cost for these ongoing services will be included in the budget request submitted for that phase of the process.*

The SOS brings an experienced team to the analysis and planning of this project. All key staff have had prior experience in the development of business cases, alternatives analysis, cost estimation, and procurement. The key staff currently planned for assignment to Stages 2 and 3 are:

Chris Reynolds – PRD Division Chief and business subject matter expert. Mr. Reynolds' experience includes 10 years of state program management and executive experience in a number of roles. He was appointed director of the effort to implement the federal Help America Vote Act (HAVA) in California. In that role, Mr. Reynolds managed a multi-million dollar budget that included federal compliance, coordination with counties, new technology implementation, and significant changes to the way state and local jurisdictions performed electoral functions. He was responsible for responding to state and federal audit findings by developing and implementing remediation efforts. As the current PRD Division Chief, Mr. Reynolds brings expertise in budgeting, resource planning, and a wealth of specific program knowledge to the procurement and implementation efforts.

Bruce Maffia - PMP – Sr. Information Systems Analyst in PRD. Division expert with the current data model. Mr. Maffia has seven years of state project experience including the development of requirements, procurement development, and procurement response experience. He is well-versed in project management methodologies including CA-PMM. Mr. Maffia has led the preparation of several FSR's for projects which were ultimately approved and have either been implemented or are in process. He also served as the risk manager for a large legacy conversion project at a large state department that was completed on time and within budget.

Christine McKenzie - PMP– Data Processing Manger III over ITD's Application Development and Support team. Ms. McKenzie brings 15 years of state IT management experience including software development, project management (PMP and Cal-Q certified), feasibility studies, budgeting, and procurement of numerous significant IT projects. Ms. McKenzie has developed and managed IT contracts large and small, along with the contract staff assigned to those projects.

Business Operations – The Contract Services unit of the Management Services Division has a team of contract staff who specialize in IT contracting and procurement. This team provides the project over 15 years of state IT

contracting experience. They have played a key role in the development of the Request for Information (RFI) that was performed as one of the initial market research activities of this project. They have supported the development and execution of Requests for Proposals (RFPs), as well as other solicitation methods, and the resulting contracts for a large number of agency projects, including four large system integration projects of similar size and complexity.

The planned CARS procurement and implementation schedule anticipates the current and planned allocation of these key resources across the various functions they perform within the agency. Key CARS activities and deliverables are planned so as not to conflict with planned implementation of other significant projects being undertaken by the SOS. The CARS project will include a resource management plan that will address future conflicts should they occur.

**1.12.4 Training and Organizational Change Management**

**Yes No**

With respect to the magnitude of this proposal, does the Agency/state entity have resources, processes, and methodologies in place to provide training and organizational change management services?

Does this proposal affect business program staff located in multiple geographical locations? If "Yes," specify the city, state, number of locations and approximate staff in each location:

City	State	Number of Locations	Approximate Number of Staff

The SOS has undertaken a number of significant system development projects in recent years, which we expect to leverage and adapt for this project. One example is the implementation of the Help America Vote Act (HAVA), which required development of a statewide plan via an advisory group that included county elections officials and interested stakeholder groups (such as Common Cause; the California chapter of the League of Women Voters; the National Association of Latino Elected (and appointed) Officials; the NAACP; the Asian Pacific American Legal Center; and others). Following development of the statewide plan and continuing through the foreseeable future, the agency works closely with county elections officials to meet federal mandates requiring adoption of new, electronic voting equipment, and implementation of a statewide voter registration system that integrated, at its inception, six different types of automated election management systems. Building on the initial statewide voter registration system (CalVoter), the SOS implemented an online voter registration system that was considered by some a model; implementation of this system necessitated close coordination with county elections officials who are on the "front lines" of voter registration activities. Furthermore, the state is now in the process of implementing a successor statewide voter registration database (VoteCal) that integrates county election management systems into a seamless statewide voter registration system. Each phase of these HAVA planning and implementation efforts requires continuous communication with counties via regular memoranda about interpretation and application of federal law; funding and fiscal monitoring requirements; and technical information about new voting systems and operation of the integrated statewide voter registration system.

Additionally, under the auspices of federal law, the agency established a statewide Voting Accessibility Advisory Committee (VAAC) to improve the physical access to polling places for voters with disabilities. In addition to establishing a grant program to fund improvements or mitigation measures to improve polling place accessibility, the agency partnered with the State Department of Rehabilitation to completely re-write, with county election official and VAAC input, statewide standards for polling place accessibility; the program also included statewide regional training for elections officials, and creation of a training video for use by elections officials. The VAAC is now a statutorily designated group that continues to work cooperatively with the agency on these issues.

These projects have involved significant amounts of training and organizational change. It is the expectation of the CARS project that we will leverage the aspects of the training and organizational change management (OCM) methodologies that our project management staff has found effective during these efforts. These

methodologies will likely have to be tailored to meet the requirements of a more narrowly-scoped project with a smaller number of direct external stakeholders.

### 1.12.5 Enterprise Architecture

Yes No

Does the Agency/state entity have a documented target (or future state) enterprise architecture that provides the overall business and IT context for this proposal?

The Secretary of State's most recent State Information Management Strategy (IMS), revised October, 2015, contains guidance, standards, and targets to which the CARS project will be expected to adhere.

SOS applications typically are hosted internally at our tier 2 data center using virtual servers to the extent possible. Current and planned capacity at our data center is expected to be adequate for project implementation.

The current design standard for new applications is to use N-Tiered, web-based architecture. The standard includes front-end applications that are written in C#, ASP.Net, Microsoft MVC, and/or Bootstrap. The middle tier standard is RESTful / Web API based web services. The backend database standard is to use either a Microsoft SQL Server or Oracle platform, depending on the needs of the application. Connection to the database by the application is encouraged by the use of stored procedures or Object Relationship Management tools as opposed to imbedded SQL statements in .Net code.

One of the primary drivers of the CARS project is to migrate our mission-critical applications from the current environment of disparate, often unsupported applications and programming languages to a more manageable environment in keeping with our current enterprise standards. In order to achieve that goal, the project team expects that the technical requirements and other components of the eventual solicitation will detail these standards and award points preferentially to bidders who understand them and plan to implement accordingly.

### 1.12.6 Project Management

Project Management Risk Score:

1.9

### 1.12.7 Data Management

Yes No

1. Does the Agency/state entity have an established data governance body with well-defined roles and responsibilities to support data governance activities?

2. Does the Agency/state entity have data governance policies (e.g., data policies, data standards, etc.) formally defined, documented and implemented?

3. Does the Agency/state entity have data security policies, standards, controls, and procedures formally defined, documented and implemented?

Previous internal audits found that the Agency practices data governance, but it is not formally documented at the enterprise level. SOS is currently engaged in two significant information technology projects in key areas of the organization. Both projects have developed data management policies and procedures that include elements related to the governance, quality, conversion, and security of data. This project expects to leverage the components of these efforts that are applicable and to develop a targeted data management plan as part of the project planning process. To that end, the project expects to include such a plan as an early deliverable in the contract of any project management support vendor that is engaged to assist in the requirements finalization process. In the project's current timeline, that would be expected to be completed in the Spring of 2017.

## Department of Technology Use Only

Original "New Submission" Date

Form Received Date

Form Accepted Date

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