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EXTERNAL STAKEHOLDERS' UPDATE
CAL-ACCESS REPLACEMENT SYSTEM (CARS)

MARCH 15, 2022

2:00 PM

POLITICAL REFORM DIVISION
CALIFORNIA SECRETARY OF STATE

AGENDA

- Welcome
- The Secretary's Decision
- Brief Background
- Issues Encountered
- Actions Taken
- Moving Forward – Key Items
- Wrap Up

WELCOME

- Thank you for your patience during the Independent Assessment

- Cal-Access is an important project and care must be exercised to reduce risk for the project and increase the possibility for a successful launch

- Prior to sharing this information with the project team, the Secretary shared this information with selected individuals from the Legislature and the Governor's Office

SOS DECISION

- Based on the information contained in Elyon's report and input received from internal and external stakeholders, the Secretary's decision is:

  o Accept the recommendations identified in the report

  o Use the Elyon recommendations and estimates as a baseline starting point to determine schedule, staffing resources, and budget estimates based on SOS current workloads, skill sets available, and upcoming events such as the 2022 election

  o Treat the project as a new project and restart it by conducting thorough planning, to include completing the PAL process in collaboration with CDT

BRIEF BACKGROUND

- CAL-ACCESS is the mission-critical legacy system

- In development for several years

- Complex and unique business rules as the Franchise Tax Board

- Interactive solution for the campaign and lobbying filing community

ISSUES ENCOUNTERED

- Two implementation attempts

- A parallel development to shorten the project schedule impacted project management and development best practices

- Usability, security, data migration, and testing issues were identified

ACTIONS TAKEN

- Pause and Evaluation decision – increase quality/reduce risk

    - Project tasks during Pause
        - Tasks identified that "could" add value continued
            - Data Migration
            - API (software vendor interface)
            - Regression testing
            - ADA Testing
            - Lessons Learned

ACTIONS TAKEN (CONTINUED)

1. Partnered with California Department of Technology (CDT) for an independent assessment

   o The purpose: (1)determine the readiness to launch, (2) ensure the highest quality and the lowest risk, and (3) recognize the sensitivities of the voting community

2. Elyon was selected as the independent assessment contractor

   o The selected contractor has experience offering and completing this type of service to State agencies

   o The Elyon Team consisted of IT, technical, and strategic expertise

3. CDT and SOS guided the assessment, the Elyon team conducted the assessment

CONTENT OF REPORTS RECEIVED

- The independent assessment report was delivered in three phases: a preliminary report, a final report, and a recommendations document

- The report was delivered on time and met the purpose of the independent assessment

- The key components of the independent assessment report findings include:

  o A re-examination is required of the architecture and the accompanying solution must fit the architecture

  o A new acquisition is necessary

  o The SOS will make several process changes

CONTENT OF REPORTS RECEIVED (CONTINUED)

- Elyon's recommendations to the SOS are based on best practices of 100 successful State management projects

- Elyon provided "hand-off" instructions to SOS for consideration in the development of our Remediation Plan:

  o Provided details about the types of process changes needed

  o Provided rough order of magnitude estimates for schedule, staffing resources, and budget to be considered in the Remediation Plan

- The SOS has waited to receive the "hand-off" instructions before starting development of the Remediation Plan

REPORT: RECOMMENDATIONS

- The recommended process changes fall into three categories

  o <u>Planning/Infrastructure Development:</u> Contract management, vendor negotiations, communications, governance and sponsorship, requirements definition, project schedule management

  o <u>Data Quality:</u> Data conversion and migration, release management, testing

  o <u>Quality:</u> Risk management, organizational change management, and quality management

REPORT: RECOMMENDATIONS

- Elyon's schedule estimates suggest:

  o The planning and acquisition process are estimated to take 10 months, or as determined by the SOS

  o The design-build and deployment processes are estimated to take approximately 27 months, subject to additional SOS considerations

- The SOS will factor in its operational needs when creating a project schedule that includes Elyon's recommendations

REPORT: RECOMMENDATIONS

- The Elyon staffing resource estimates suggest SOS needs:

  o Independent Verification and Validation (IV&V)

  o Project Management

  o Organizational Change Management

  o Testing Support

- The SOS will examine several procurement considerations including vendor staffing

MOVING FORWARD

- We will move forward in a manner that recognizes the Secretary's desire for high quality and low risk

PLAN FOR SUCCESS

- Start by creating a well thought out plan that includes "pre-planning" activities excluded from the timeline provided in the independent assessment reports.

- Create advisory and oversight partnerships with CDT

- Augment internal SOS staff skill set appropriate for the project and to help us avoid creating operational backlogs

PLAN FOR SUCCESS (CONTINUED)

- Evaluate the recommended timeframe in the independent assessment report and update it to reflect SOS operational needs

- Determine the independent assessment recommendations to be adopted by the SOS and the timeframe for each

- Review and update our procurement process to include best practices

- Create a firm foundation prior to starting project development

THE PLAN – WHAT'S BEING DONE

- Create a Memorandum of Understanding (MOU) with CDT to provide advisory and oversight roles

- Create a Remediation Plan

- Develop Statement of Work for PMO resources: Project Manager - Business Analyst - Business Process Reengineering expert – Data Architect – Technical Project Manager – Organizational Change Management

- Create the Project team, project charter, and governance structure

California
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STRATEGY INNOVATION DELIVERY

- CDT's advisory and oversight roles

CDT ADVISORY SERVICES – CA-PMO

- CDT Roles (California Project Management Office (CA-PMO)):
  - ✓ Executive Project Advisory Consultant
    - ➤ Provide advisory support, consultation, coaching, and mentorship to the SOS CARS Project Sponsor and Project team.
    - ➤ Guide SOS Executive Leadership with CARS Project strategic prioritization, IT alignment, governance, remediation planning, and CARS closeout activities.
  - ✓ Data Readiness Advisor
    - ➤ Provide expert guidance and best practices related to data management (governance, quality, architecture, cleansing) to the SOS CARS Project team.
    - ➤ Review data artifacts to help SOS ensure data preparedness for the CARS Project.

CDT OVERSIGHT SERVICES - PAO

- CDT Roles (Project Approval and Oversight (PAO)):

  ✓ Project Approval Lifecycle (PAL) - Planning Activity

    ➢ The PAO Manager guides, recommends, and coaches SOS in performing project planning activities (Stages 2-4).

  ✓ Independent Project Oversight Manager (IPO)

    ➢ Guides the CARS Project through the project phases: review and monitor project health; create project oversight reports; escalate project risks and issues; and assist CARS project staff in developing appropriate risk and issue mitigation strategies.

CDT PROCUREMENT SERVICES - STP

- **Statewide Technology Procurement** – Conducts independent project oversight for state project acquisitions of IT and telecommunications goods and services. The STP is responsible for developing innovative procurement approaches for highly complex IT projects (Public Contract Code 12100 and 12120).

- **CDT Role: Procurement Officer and Manager**

  - ✓ Collaborates and reviews SOS' project proposal requests and solicitation planning documents; identifies and escalates procurement risks and issues; and assists in developing appropriate risk and issue mitigation strategies.

  - ✓ Advises, facilitates, oversees, conducts, directs, and approves the solicitation development, procurement schedule, vendor engagements, and negotiations on behalf of SOS for value-effective solutions.

  - ✓ Works with the SOS procurement resources to streamline the procurement process and promote successful project outcomes.

CARS PROJECT PROPOSED PHASES

- **Pre-Planning**

  - ✓ Develop remediation plan and activities for SOS to effectively begin the CARS Project

  - ✓ Assess data preparedness for the CARS Project

  - ✓ Establish project structure and deliverables. Examples: Project charter; governance; Spring Finance Letter creation; SOS staff communication; CARS Project resource procurements; SOS staff allocations, CAL-ACCESS contingency

- **Planning**

  - ✓ Formal execution of the Project Approval Lifecycle Process (Stages 1-4). Examples: Requirements, technical solution, system integrator contract award, project approval, and baseline project

- **Execution**

  - ✓ System integrator partners with SOS to design, develop, and implement the CARS solution

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THE PLAN – THE VERY BEGINNING

Examples of Pre-Planning Activities

Charter
Governance
PM Plan Documents
Incorporate Lessons Learned
Prioritize Recommendations and Incorporate
Resource Allocations
Plan to Fill Skills Gaps
Statement of Work (PM, BA, BPR)
Stakeholder Communications
Contingency Plan for Cal-Access
Close-out Previous Project

Examples of Planning Activities

Review Requirements, Business Rules, and Business Processes
Prepare for Data Readiness
Develop an RFI
Develop an RFO

THE PLAN – LEADERSHIP TEAM

- The Leadership Team

- What We've Been Doing

  o Budget Requests

  o Establishing Clear Roles and Responsibilities

  o Defining Governance Processes

  o Onboarding a new PM consulting team

- SOS will rebrand the project

WHAT'S NEXT

- Make the report information available to internal and external stakeholders

- Officially close out the current CARS project

- Complete the "pre-planning" activities identified on the previous slide

- Submit an RFO to acquire the vendor staff needed to complete the planning activities

WRAP-UP

- The findings of the independent assessment are consistent with the concerns raised during the project and with having an unrealistic project schedule

SUMMARY

- The pause and evaluate decision remains a good decision

- Following the independent assessment recommendations creates the best opportunity to reduce risk and achieve high quality results

- Proper project planning must occur prior to starting project development activities and will inform SOS as the budget, schedule, and scope estimates are developed

SUMMARY (CONTINUED)

- Partnering with CDT for the duration of the project helps reduce risk

- With the strong support of the SOS Executive Office for the project, CDT partnership, lessons learned, and the recommendations provided by Elyon, we are confident the project can be successfully implemented

WHERE TO FIND PROJECT INFORMATION

To read the Elyon Report click here:

https://www.sos.ca.gov/administration/agency-reports/

- Note: The CARS Project will not be launching in 2022

CARS Email Address: Submit questions and comments to the CARS project team:
PRDCARS@sos.ca.gov

Q & A