Stage 2 Alternatives Analysis

California Department of Technology, SIMM 19B.2 (Ver. 3.0.8, 02/28/2022)

2.1 General Information

1. ***Agency or State Entity Name:*** *7350 - Industrial Relations, Department of*

   If Agency/State entity is not in the list, enter here with the organization code.

2. ***Proposal Name:*** *Labor Enforcement Task Force Project (LETF project)*
3. ***Department of Technology Project Number (0000-000):*** **7350-095**
4. ***S2AA Version Number:*** *Version 1*
5. ***CDT Billing Case Number:*** **CS0066993**

   Don't have a Case Number? Click here to get one.

2.2 Submittal Information

1. *Contact Information*

   Contact Name: Benjamin Bonte

   Contact Email: --

   Contact Phone: --

2. *Submission Type: New Submission*

   If Withdraw, select Reason: Choose an item.

   If Other, specify reason here:

   Sections Changed if an update or resubmission: (List all the sections that changed.)

   Summary of Changes: (Summarize updates made.)

Click or tap here to enter text.

3. *Attach [Project Approval Executive Transmittal] to your email submission. Attached in a separate document:*

    1. 2.2.3 LETF SIMM Section 19G Project Approval Executive Transmittal-S2AA.pdf

4. *Attach [Procurement Assessment Form] to your email submission. N/A. CDT confiirmed this document is not necessary for this project.*

    *Conditions from Stage 1 Approval (Enter any conditions from the Stage 1 Business Analysis approval letter issued by CDT or your AIO): None**.***

2.3 Baseline Processes and Systems

1. *Current Business Environment (Describe the current business environment of which the effort will be understood and assessed in 500 words)*

Pursuant to Assembly Bill 175 (Chapter 255, 2021), funds were appropriated from the Labor and Workforce Development Fund for support of the Department of Industrial Relations (DIR) for strategic enforcement focused on construction, alteration, and repair projects, subject to the provisions of Section 1785 of the Labor Code. The DIR Director assigned LETF to oversee this strategic initiative. LETF under the direction of DIR, is a coalition of California State government enforcement agencies that work together and in partnership with local agencies to combat the underground economy. A portion of the funding will be allocated to an effort to upgrade the current Public Works data systems and create a technical capability for analytics using this data. There are five program areas that DIR has been asked to address within of the strategic enforcement oversight scope, currently functioning as standalone databases.

These are:

1) **Electronic Certified Payroll Records** - Contractors are required to provide DIR electronic certified payroll records (eCPRs) for most projects, with some exceptions (projects under $25,000, projects operating under a project labor agreement and projects overseen by Labor Compliance Programs). eCPRs have critical employee data, including employee's name, address, social security number, job classification, journey-worker/apprentice designation, hourly rates, fringe benefits including training fund contributions, payroll deductions, travel and subsistence payments, and net wage amounts. The eCPRs also contain project specific data, which include project name, project identification number, and project address number. This system is a stand-alone system within the Division of Labor Standards Enforcement (DLSE).

    - Pursuant to Assembly Bill 1023 - the contractor or subcontractor is required to furnish those records at least once every 30 days while work is being performed on the project and within 30 days after the final day of work performed on the project. The bill also requires that the contractor or subcontractor furnish these records in an electronic format, in the manner prescribed by the Labor Commissioner, on the department's website. A contractor or subcontractor who fails to furnish those records relating to its employees in the manner specified is liable for a penalty of $100 per day, not to exceed $5,000 per project, to be deposited into the State Public Works Enforcement Fund. The Labor Commissioner does not levy penalties under these provisions until

14 days after the deadline for furnishing records and requires that these penalties accrue to the actual contractor or subcontractor that failed to furnish those records.

2) **Public Works Projects Registration** - PWC-100 forms are completed by the awarding body. An awarding body refers to a department, board, authority, officer or agent awarding a contract for public work. In most cases the awarding body is a unit of state or local government, such as a city, county, school district, water district, special district, or a state agency. However, in some cases the body awarding the contract may be a private entity (such as a developer) that uses public funds for a public works construction project. The completion and the submission of this form fulfills the required public works project award notification as required by Labor Code sec. 1773.3 (replacing former DAS-13 notification) and 8 Cal. Code Reg. sec. 16451(a).

3. **Public Works Contractor Registration (PWCR)** - A public works contractor is anyone who bids on or enters into a contract to perform work that requires the payment of prevailing wages. It includes subcontractors who have entered into a contract with another contractor to perform a portion of the work on a public works project. It includes sole proprietors and brokers who are responsible for performing work on a public works project, even if they do not have employees or will not use their own employees to perform the work. Anyone who fits within this definition of public works contractor is required to register with the DIR.

4. **Prevailing Wage Tracking** - The DIR issues prevailing wage determinations semiannually based on the general prevailing rate of per diem wages for a particular craft, classification, or type of worker by county in most cases (or portion of a county) for all 58 California Counties. The process of these determinations also needs to be upgraded.

5. **Apprenticeship Activity** - All public works construction contracts valued at $30,000 or more carry an obligation to hire apprentices, unless the craft or trade does not require the use of apprentices, as indicated in the corresponding prevailing wage determination. This duty applies to all contractors and subcontractors on a project, even if their part of the project is less than $30,000. The Division of Apprenticeship Standards (DAS) utilizes the California Apprenticeship System (CAS), the forms DAS 140 & 142 and the Training Fund Contributions (CAC 2) to track this process.

6. **Inspections of Publicly Funded Construction projects –** LETF is leading the strategic enforcement initiative in inspecting publicly funded construction sites to ensure employers provide workers' compensation insurance and follow labor laws; including applicable prevailing wage laws, skilled and trained workforce requirements, workplace health and safety requirements, and apprenticeship standards. The enforcement effort includes teams from DIR's Division of Occupational Safety and Health (Cal/OSHA), Division of Labor Standards Enforcement (DLSE), and other enforcement partners. The LETF FileMaker database currently tracks the results of these joint enforcement activities.

The current application suite LETF utilizes is manually stitched using 8 internal databases and additional external data entities. This faces multiple challenges and prevents LETF from effectively carrying out strategic enforcement and compliance to combat underground economy. LETF is seeking to modernize the data and application suite to improve efficiency and to engage in targeted strategic enforcement and compliance.

DIR current internal users

- Division of Labor Standards Enforcement (DLSE) Public Works Unit
- Division of Occupational Safety and Health (Cal/OSHA)
- Division of Apprenticeship Standards (DAS)
- Labor Enforcement Task Force (LETF)

- Office of the Director-Research Unit (OD-R)

LETF project focus will be on 5 program areas:

1. Electronic Certified Payroll Records
2. Public Works Projects Registration
3. Public Works Contractor Registration System
4. Prevailing Wage Tracking
5. Apprenticeship Activity
6. Inspections of Publicly Funded Construction Projects

Objectives

1. Reduce manual work required for each Public Works case
2. Reduce time needed for the public to submit data by improving usability of the public facing system and minimize administrative burden
3. Improve analysis of payroll records and other Public Works data that is being collected
4. Improve access to prevailing wage rates

Attach relevant documentation to email submission (i.e., business process, workflow, problem analysis, user/stakeholder list, research findings). **Attached in separate documents:**

2. 2.3.1 LETF Business Process Workflow - 03222023.pdf *(public works)*

3. 2.3.1 LETF DLSE -Public Works - eCPR workflow

2. *Technical Context (Describe the technical environment of which the effort will be understood and assessed in 500 words)*

The current systems being used for this effort are:

- Electronic Certified Payroll Reporting (eCPR)
- Project Registration (PWC-100)
- Public Works Contractor Registration (PWCR)
- Prevailing Wage Subtrades, Apprentice, Basic Trades, Residential
- PW Case Management
- PW Accounts Receivable
- California Apprenticeship System (CAS)
- DAS 140 & 142
- Training Fund Contributions (CAC 2)
- Construction Permits
- (Other Permits – Cranes, Elevators Etc.)
- LETF Case Management

eCPR – Electronic certified payroll records

- HCL Forms is no longer supported by the manufacturer
- Occasional performance issues
- Increase server capacity for larger volume submissions
- They do not ask for the complete information. LCO has to still rely on hard copies.

PWC100 - Public Works Projects Registration forms

- PWC100 needs to be completely rebuilt because they are running on unsupported technology.

Prevailing Wage

- ✓ **Subtrades and Apprentice systems**
  - They are aging but supportable. They have a semi-automated process to post to the DIR website.
  - The information that is stored in Subtrades is not stored in Apprentice and vice versa.
- ✓ **Basic Trades and Prevailing Wage Residential**
  - It is a manual process that needs to be built into a system.
  - Data capture needs structure

PW Case Management

- Staff needs to retype all the information from eCPRs into case management. If the two systems were connected, this would not be necessary.
- Data for cases is being stored in three different systems: Oracle, FileMaker and Excel. If there were a way to incorporate all systems into one, it would be a very effective solution for Case management.
- Need improved reporting capabilities for DLSE (PW unit) Legal outcomes. Statistical breakdowns, etc

PW Accounts Receivable

- Modernization is needed (Oracle system is too old)

California Apprenticeship System (CAS)

- Apprentices that work on PW projects need to be registered on both eCPRs and with DAS.
- We want a system that could cross check between the two systems, to increase process efficiency.

DAS 140 & 142

- DLSE needs to see forms when investigating
- These forms are sent to the Programs and not to DIR

Training Fund Contributions (CAC 2)

- Does not notify us if the contractor has paid training contributions
- Does not calculate the training contributions to be made on our end

Cal/OSHA

- A system is needed that confirms connection points with Cal/OSHA representatives

LETF Case Management

- Current LETF system is siloed in Filemaker
- It would be helpful if we could link the LETF system to the BOFE Salesforce system, the new public works system, and the Cal/OSHA OIS system.

Attach relevant documentation to email submission (i.e., logical system environment diagrams, system interactions, business rules, application flows, stakeholder information, data flow charts). **Attached in a separate document:**

4. 2.3.2 LETF Business Function-Process 03232023.xlsx

3. *Data Management (Enter the information to indicate the data owner and custodian of the current system, if applicable.) ~~– Yes.~~*

Data Owner Name: Dominic Forrest, Silvestre Rojas, and Christopher Kim

Data Owner Title: LETF Product Owner

Data Owner Business Program area: LETF

Data Custodian Name: Jack Chu

Data Custodian Title: IT Manager

Data Custodian Technical area: Enterprise Architecture

Security - Data Classification and Categorization Yes

Security - Privacy Threshold & Impact Assessment. Yes

4. *Existing Data Governance and Data (Note: Answers same as in approved S1BA)*

Attached in a separate document:

Future Data Governance Organization Chart.

a) Do you have existing data that must be migrated to your new solution?

Answer (Unknown, Yes, No): Yes

If data migration is required, please rate the quality of the data.

Select data quality rating: Few issues identified with the existing data.

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

Answer (Unknown, Yes, No): Yes

Note: DIR has identified a Governance Board and Data Stewardship Council and plans to convene in 2023. Artifacts will be submitted during Stage 3.

If Yes, include the data governance organization chart as an attachment to your email submission. – **Attached in a separate document:**

5. 2.3.4b Future Data Governance Organization Chart.

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

Answer (Unknown, Yes, No): Yes

Note: Data dictionaries are maintained for all large systems and several data cleansing efforts are underway. A full data management policy will be created by the Governance Board and Data Stewardship Council once it is established.

If Yes, include the data governance policies as an attachment to your email submission.

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

Answer (Unknown, Yes, No): Yes

If Yes, attach the existing documented security policies, standards, and controls used to your email submission.

All IT Security policies can be found here:
http://web.dir.ca.gov/informational/Portal.asp?goto=polandproc/PolicyMain.htm

:: **Information Technology Policies**

- Acceptable Use Policy
- Access Control Policy
- Audit and Accountability Policy
- Change and Configuration Management Policy
- Data Security Policy
- Endpoint Security Policy
- Identification and Authentication Policy
- Incident Response Policy
- Information Security Program Management Policy
- Personnel Security Policy
- Physical and Environmental Protection Policy
- Risk Assessment Policy
- Security Analytics and Continuous Monitoring Policy
- Security and Privacy Awareness Training Policy
- Security Assessment and Authorization Policy
- Security Variance Policy
- Software Management and Licensing Policy
- System and Communications Protection Policy
- System and Services Acquisitions Policy

Attached in a separate document:

6. **2.3.4d_LETF - DIR IT Policies_Attachment_03222023.pdf**

e) Does the Agency/state entity have user accessibility policies, standards, controls, and procedures formally defined, documented, and implemented?

Answer (Unknown, Yes, No): Yes

If Yes, attach the existing documented policies, accessibility governance plan, and standards used to the email submission. **Attached in a separate document:**

7. ***2.3.4e_LETF - DIR Accessibility Policies_Attachment_03222023.pdf***

Security Categorization Impact Table Attached S1BA-PIA/PTA in a separate document:

8. ***2.3.4e LETF-SIMM-5310C_03222023.docx***

Consult the SIMM 5305-A Information Security Program Management Standard - Security Categorization Impact Table.

Attach a table (in PDF) that categorizes and classifies the agency/state entity's information assets related to this effort (e.g., paper and electronic records, automated files, databases requiring appropriate protection from unauthorized use, access, disclosure, modification, loss, or deletion). Each information asset for which the agency/state entity has ownership responsibility shall be inventoried and identified.

5. *Security Categorization Impact Table Summary*

Consult the SIMM 5305-A Information Security Program Management Standard - Security Categorization Impact Table to provide potential impact levels of the following areas:

Confidentiality: Medium

Integrity: Medium

Availability: Medium

6. *Technical Complexity Score:* ***2.7***

(Attach a SIMM Section 45 Appendix C with Business and Technical Complexity sections completed to the email submission.) **Attached as a separate document:**
9. 2.3.6 LETF SIMM 45 Tech Complexity Score.xls

2.4 Requirements and Outcomes

At this time in the project planning process, requirements and outcomes should be documented and indicative of how the Agency/State Entity envisions the final solution. This shall be accomplished either in the form of **mid-level requirements (predictive methodology)/business capabilities or using human centered design principles and generate personas, journey maps, epics and user stories** that will become part of the product backlog. The requirements or representative epics and user stories must tie back to the Objectives detailed in the Stage 1 Business Analysis. Regardless of which tool/method is used, an understanding of the following, at a minimum, must be clearly articulated:

- Functional requirements
- Expected user experience(s)
- Expected system outcome
- Expected business operations (e.g., How do you envision operations in the future?)
- Alignment to the project's objectives identified in Stage 1
- Product ownership (e.g., Who owns these requirements?); and
- Verification of need(s) fulfillment (e.g., How will success be measured?)

Tip: If providing requirements, the recommended range of requirements is between 50 and 100.

Attach Requirements and/or Outcomes narratives, mid-level requirements, and/or epics/user stories to submission email. **Attached as a separate document:**

10. 2.4 LETF Mid Level Solution Requirements.xlsx

2.5 Assumptions and Constraints

Relevant assumptions and constraints help define boundaries and opportunities to shape the scope and complexity of the project.

Assumption: Pursuant to Assembly Bill 175 (Chapter 255, 2021), the sum of $30,000,000 was appropriated from the Labor and Workforce Development Fund for support of The Department of Industrial Relations (DIR) for strategic enforcement focused on construction, alteration, and repair projects, subject to the provisions of Section 1785 of the Labor Code. $10,000,000would be allocated to DIR OIS in an effort to upgrade the current Public Works data systems and create a technical capability for analytics using this data.

Description/Potential Impact: Funding is appropriated, and the first MVP has to be delivered by June 2024.

Assumption: Executive sponsorship will continue through project completion.

Description/Potential Impact: Constant support from executive sponsors will ensure resources are continuously available for the project.

Assumption: CDT will review and approve the project.

Description/Potential Impact: Control agency support is necessary to start the project and will ensure external influences will not impact the successful completion of the project.

Assumption: Suppliers, vendors, consultants, and State staff will perform their assignments related to the project in a competent and timely manner.

Description/Potential Impact: Delays by any of the project partners could adversely impact the project schedule.

Assumption: Issues will be resolved and risks mitigated on a timely basis.

Description/Potential Impact: Issues and risks that are not addressed on a timely basis could impact the project scope, budget, and/or schedule.

Constraint: CDT Approval for PAL process and run the procurement to onboard the vendor which will help DIR team to deliver the project by June 2024.

Description/Potential Impact:

2.6 Dependencies

Dependencies are elements or relationships in a project reliant on something else occurring before the function, service, interface, task, or action can begin or continue.

Dependency Element	Dependency Description
Development Tools	Develop a standard for the development methods and tools that the vendors will use during the project. This will ensure that the technology transition is consistent with DIR staff knowledge and skills for ongoing system maintenance and operations, once the project is completed.
Testing Strategy	The testing strategy based on the product roadmap will serve as a guide for verifying how the major aspects of the solution shall be developed.
Preparing Environments	Based on the product roadmap the environments for the development, integration testing (IT), system testing (ST), user acceptance testing (UAT), and training will need to be set up and configured. Development and IT environments would need to be available before the vendor can start the analysis and design phases of the project. ST and UAT environments will be established before testing can begin. Additionally, the training environment will need to be established to allow curriculum development in order to train the users.
Business and System Requirements	The tracing of LETF detailed requirements and use cases will be essential in testing, troubleshooting, and building the solution and DIR will use Agile methodology to capture these requirements. Traceability from business requirements to system requirements to code and from business requirements to use cases and test cases will ensure that minimal errors are introduced into the DIR production environment.
Software Development Life Cycle (SDLC)	DIR plans to adopt Agile Software Development framework. The project will be dependent on the specific framework that DIR chooses during the solicitation phase and implementation.
Technology Platform	The project is dependent on the technology platform used to modernize all of the legacy applications. The following technology platforms may be considered for the solution: ▪ Case Management ▪ Data Lake and Data Analytics ▪ API Platforms ▪ Application Platforms ▪ Content and Document Management Systems ▪ Operating Systems ▪ Security & Privacy ▪ Cloud Infrastructure with FedRAMP Certification

Dependency Element: Click or tap here to enter text.

Dependency Description: Click or tap here to enter text.

TIP: Copy and paste to add Dependency Elements and Descriptions as needed.

2.7 Market Research

Market Research (CDT Market Research Guidelines) determines whether products or services available in the marketplace can meet the business needs identified in this proposal. Market

Research can also determine whether commercial practices regarding customizing/modifying products or tailoring services are available, or even necessary, to meet the business needs and objectives of the business.

Before undertaking a Market Research approach. Contact your PAO Manager to schedule a collaborative review to review planning to date and discuss the procurement approach.

1. *Project Management Methodology: Adaptive Approach (Agile)*
2. *Procurement approach recommended: Standard Procurement*
3. *Market Research Approach*

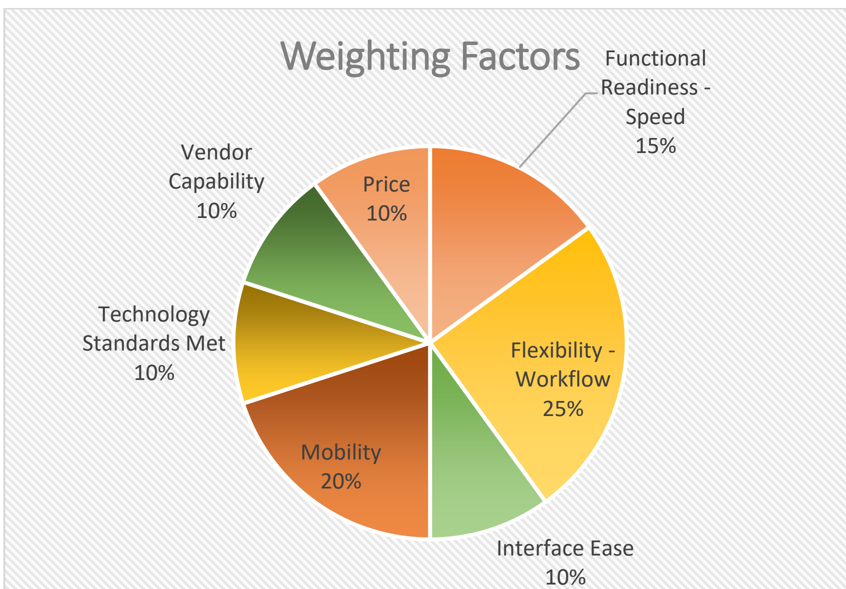
DIR is planning to re-use the tools which are part of the current technical reference architecture.

DIR already uses Salesforce and ServiceNow to support multiple divisions business processes.

Market research also made it clear that documenting DIR business process sub-steps in detail, performing data cleansing and migration, and decisions about replacing or avoiding various existing system interfaces would be required for all three alternatives.

SOLUTION EVALUATION CRITERIA

DIR scored the three solution approaches using weighted criteria shown in the scorecard below.



A detailed description of each weighting factor used in evaluating the three feasible solution alternatives is provided in the table below.

Solution Approach Evaluation Criteria	Weight %
FUNCTIONAL READINESS – SPEED TO IMPLEMENT How likely is the solution approach to meet DIR needs in terms of **pre-built** components?	15%
FLEXIBILITY – WORKFLOW Will the solution approach allow DIR to customize the product and make changes easily (legislation, new business needs, etc.) via streamlined, flexible workflow?	25%
INTERFACE EASE Does the solution approach provide an integrated platform for interfaces such as to Accounting?	10%
MOBILITY – BROWSER, CLOUD Does the solution approach address needs for mobile service channels, browser-supported on the cloud?	20%
VENDOR CAPABILITY Are sufficient system integrators available to implement the solution approach?	10%
PRICE How well does the solution approach fit into a reasonable budget set by DIR for the project?	10%
ABILITY TO MEET DIR TECHNOLOGY STANDARDS Does the solution approach meet DIR's standards for security, auditing, Oracle RDBMS, browser access, and cloud hosting, along with other IT standards?	10%

PROCUREMENT VEHICLE CHOICES

DIR has already provided the RFO document to CDT STP team to start the procurement process.

4. *Market Research Artifacts*

Market Research Artifacts can include internet research, collaboration with other governmental entities, or other documentation.

Attach Market Research artifacts to the email submission. DIR has completed the alternatives analysis based on the existing tools and also done the research based on the data provided by the research company such as InfoTech.

Attached as a separate document: Informal budgetary cost details from the vendors.

11. 2.7.4 LETF: Budgetary Cost Worksheet Template_DIR - Informal Pricing 03232023.xlsx

2.8 Viable Alternative Solutions

The CDT expects Agencies/state entities to conduct a thorough analysis of all feasible alternatives that will meet the proposal's objectives and requirements. Agencies/state entities should provide at minimum the three (3) most viable solutions, one (1) of which could be leveraging and/or enhancing the existing solution (if applicable).

NOTE: Two viable alternatives are included; no others exist.

1. ***Viable Alternative Solution #1***

NoYesOtherClick or tap here to enter text.

Name: ServiceNow along with Data Analytics on Google Cloud Platform (GCP)

Description:

- Applications delivered via the low-code capabilities of ServiceNow
- Data from multiple sources is extracted in batch and/or on event and delivered to the GCP data platform
- After the data has landed it is transformed into a Data Vault 2.0 model; the Data Vault modeling technique provides a graph-like data model that is designed for to simplify data integration, evolution, and long-term storage
- Data quality and other business rules are applied in the business vault to make the data ready for consumption
- Views to support specific APIs, reporting and/or analytics use cases are built atop the business vault to simplify data access by applications and users; Kimball dimensional models can also be built over the business vault to support broader analytics and self-service use cases
- Read-only APIs may support consumption of data in the platform so that data and aggregates from different applications can be displayed together or used as reference data. Using the Data Vault rather than direct integration ensures that point-in-time data is always available
- Business users can safely leverage integrated data in the Gold consumption layer; sophisticated users may also have direct access to the business vault
- Through logical separation, applications may share functionality using separate data. Applications may also have specific functionality. This approach accelerates development and simplifies support
- ServiceNow's Customer Portal capabilities are used to deliver both internal and public facing applications. This approach simplifies the implementation of functions that are difficult to implement securely (e.g., the self-service user management function of PW-100)

Why is this a viable solution? Please explain:

- New eCPR application with enhanced forms that are simple to maintain due to low code environment
- New application UX with multiple forms that are simple to maintain due to low-code environment
- Able to be incorporating data from into other applications
- Logically separated case management applications with that re-use common functionality, and are simple to maintain due to low-code environment

Approach

Increase staff – new or existing capabilities: Yes

Modify the existing business process or create a new business process: Yes

Reduce the services or level of services provided: No

Utilize new or increased contracted services: Yes

Enhance the existing IT system: No -- Note: Not applicable; no DIR IT system exists

Modify Statute/Policy/Regulations: No

Please Specify:

Create a new IT system: Yes

Other: No Specify:

Architecture Information

Business Function(s)/Process(es): *Support LETF business processes.*

TIP: Copy and paste or click the + button in the lower right corner to add business processes with the same application, system, or component; COTS/Cloud Technology or custom solution; runtime environment; system interfaces, data center location; and security.

Conceptual Architecture

Attach a copy of the conceptual architecture to your email submission. **Attached as a separate document:**

12. 2.8 LETF_Viable Alternatives Solution_Conceptual Architecture_Attachment-03202023.pptx

COTS/SaaS/Cloud Technology or Custom: Choose an item.

Name/Primary Technology:

TIP: Copy and paste or click the + button in the lower right corner to add system software information if the application, system, or component uses additional system software.

Explain Existing System Interfaces: HCL (IBM) Forms, Oracle database and forms, Salesforce, Filemaker, Oracle reports, Fillable PDFs

Explain New System Interfaces: Interface with Case Management and Data Warehouse.

Data Center Location of the To-be Solution: Commercial data center

Hosted on Cloud such as GCP.

If Other, specify:

Security

Access

Public: Yes (in part)

Internal State Staff: Yes

External State Staff: Yes

Other: No Specify:

Type of Information (Select Yes or No for each to identify the type of information that requires protection. See the SAM Section 5305.5 for more information.)

Personal: Yes

Health: Yes

Tax: Yes

Financial: Yes

Legal: Yes

Confidential: Yes

Other: No Specify:

Protective Measures (Select Yes or No to identify the protective measures used to protect information.)

Technical Security: Yes

Physical Security: Yes

Backup and Recovery: Yes

Identity Authorization and Authentication: Yes

Other, specify:

Total Viable Alternative #1 Solution Cost (copy from FAW – Executive Cost Summary tab, cells E7 through E11):

Planning Costs: **$3,208,566**

One-Time (Project) Costs: **$27,492,619**

Total Future Ops. IT Staff OE&E Costs: **$7,245,260**

Total Proposed Cost: **$37,946,445** *(per FAW of 3/30/23)*

Annual Future Ops. Costs (M&O): **$7,245,260**

2. Viable Alternative Solution #2

Name: Salesforce along with Analytics on GCP

Description: Using this alternative, DIR would build the custom solution itself with the help of system integrator staff.

Why is this a viable solution? Please explain:

DIR has developed custom Salesforce solutions for some of its organizational functions, including Labor Commission office systems, in recent years and has retained several skilled Salesforce developers in its organization.

Approach

Increase staff – new or existing capabilities: Yes

Modify the existing business process or create a new business process: Yes

Reduce the services or level of services provided: No

Utilize new or increased contracted services: Yes

Enhance the existing IT system: No   -- Note: Not applicable; no DIR IT system exists

Modify Statute/Policy/Regulations: No

Please Specify:

Create a new IT system: Yes

Other: No Specify:

Architecture Information

Business Function(s)/Process(es): *Support LETF business processes.*

TIP: Copy and paste or click the + button in the lower right corner to add business processes with the same application, system, or component; COTS/Cloud Technology or custom solution; runtime environment; system interfaces, data center location; and security.

Conceptual Architecture

Attach a copy of the conceptual architecture to your email submission. **Attached as a separate document:**

12. 2.8 LETF_Viable Alternatives Solution_Conceptual Architecture_Attachment-03202023.pptx

COTS/SaaS/Cloud Technology or Custom: COTS/SaaS/Cloud Technology

Name/Primary Technology: Salesforce

Hosted on Cloud such as GCP, etc.

TIP: Copy and paste or click the + button in the lower right corner to add system software information if the application, system, or component uses additional system software.

Explain Existing System Interfaces: HCL (IBM) Forms, Oracle database and forms, Salesforce, Filemaker, Oracle reports, Fillable PDFs.

Explain New System Interfaces: Interface with internal Case Management and Data Warehouse.

Data Center Location of the To-be Solution: Commercial data center

Hosted on Cloud such as AWS.

If Other, specify:

Security

Access

Public: Yes (in part)

Internal State Staff: Yes

External State Staff: Yes

Other: No Specify:

Type of Information (Select Yes or No for each to identify the type of information that requires protection. See the SAM Section 5305.5 for more information.)

Personal: Yes

Health: Yes

Tax: Yes

Financial: Yes

Legal: Yes

Confidential: Yes

Other: No Specify:

Protective Measures (Select Yes or No to identify the protective measures used to protect information.)

Technical Security: Yes

Physical Security: Yes

Backup and Recovery: Yes

Identity Authorization and Authentication: Yes

Other, specify:

Total Viable Alternative #2 Solution Cost (copy from FAW – Summary tab, cell AL50):
Total Proposed Cost: $40,171,055

2.9 Project Organization

Project planning includes the process of identifying how and when specific labor skill sets are needed to ensure that the proposed project has sufficient staff with the appropriate knowledge and experience by the time the project moves into execution. All staff identified in the following sections should be included in the Financial Analysis Worksheet to be completed in Section 2.12.

1. *Project Organization Chart:*

Attach the Project Organization Chart to your email submission. **Attached as a separate document:**

13. 2.9 LETF Project Org Chart 03222023.pdf

2. *Is the department running this project as a matrixed or projectized organization?*

Matrixed

DIR is working to hire the business and IT staff based on the approved positions.

In each of the following sections, provide a concise description of the approach to staffing of the proposed project including contingencies for business/program, IT, or administrative areas to maintain ongoing operations in conjunction with the proposed project.

1. *Administrative*

DIR will provide the following staff for the administrative needs of the project:

1. Project Manager (DIR OIS)
The project manager (PM) will have experience with project implementation and will manage the project from initiation to closing. The PM will ensure that the project team completes the project for their designated functions. The PM will facilitate the development of project plans, manage contractor performance of project tasks, and communicate with control agencies. The PM secures acceptance of deliverables from the project sponsor and stakeholders. The PM is responsible for communication, including status reporting, risk management, and escalation of issues that cannot be resolved by the project team.

2. Procurement Team (CDT, DIR Contracts, DIR OIS, and Programs) - The procurement team will include CDT's Statewide Technology Procurement Division (STP), DIR Contract experts, DIR OIS experts, and management from each affected program.
The procurement team will develop the Procurement Management Plan in accordance with CDT guidelines and will facilitate approval. The procurement team will review the solicitation document(s) and submit the final version(s), as appropriate, based on the procurement vehicle being utilized. The procurement team will facilitate the evaluation of proposals/offers. It will also develop (with CDT STP) the evaluation and selection report for each formal procurement and submit it for procurement documentation to support contract(s) award.

3. Contracts Manager (CDT, DIR Procurement, OIS) - The contract manager is responsible for the oversight of the software contract, System Integrator contract, and any other contracts supporting the project. The individual will participate in contractor performance reviews by reviewing and evaluating deficiencies, provide interpretation of project contracts to project team, recommend course of action on contractual issues, participate in procurement and contract meetings, monitor contractor deliverables, and monitor, analyze, and mitigate procurement-related risks and issues.

4. IT Support Team (OIS) – The IT support team will include experts from OIS that will assist the PM throughout the project to facilitate hardware, software, interfaces, and migration activities. The IT support team will provide system support through the development and implementation of this project to facilitate a successful implementation and transition. In-house current staff is expected to be augmented by additional resources for the project.

2. *Business Program*

Each Program will designate a product owner. The product owners will team with the PM during project development and delivery to test and validate system functions. The product owners will act as the key decision maker on system functionality and will work closely with the PM and vendor team on a daily basis through the project phase. Additionally, each Program will dedicate one or more SMEs. The SMEs will work with the selected vendor and the PM to implement the solution. Program SMEs will be dedicated to the project and will also serve as the system's user acceptance testers and execute testing at the direction of the PM and product owner. Staff experts will also perform data validation activities. In order for this project to be successful, it is required that staff prioritize it and dedicate the time necessary to ensure its completion.

3. *Information Technology*

DIR will assign support resources to work with the vendor and program staff to address issues encountered when accessing the proposed solution via a web browser from DIR workstations. The resources will have experience with DIR browser, system, and security configurations. The IT resources will be available throughout the project lifecycle to address system implementation and interface issues.

4. *Testing*

All product owners and SMEs will act as testers. Under guidance of the project manager and informed by the vendor's expertise, the testers will participate in software requirements meetings, as needed, to understand the business and functional requirements that the software must meet. They will perform testing based on the test plan and document any issues in a defect and enhancement tracking tool. Once the issue has been resolved, the testers will retest and declare it fixed or report it again until the requirement has been successfully tested.

5. *Data Conversion/Migration*

OIS staff, the product owners, and staff experts (technical resources) will participate in data migration activities with the System Integrator. The supporting activities related to data migration (e.g., data mapping, data mapping review, and data validation) will be completed by the Programs with the coordination and support of OIS resources and additional contractor resources.

6. *Training*

Training for the recommended solution will be conducted by the vendor and included in the procurement contract. The vendor and PM will work with the product owners and/or SMEs to train key program staff on how to utilize the software. DIR program staff will serve as trainers to supplement the vendor provided training and provide on-site support and business process documentation as necessary to mitigate any business process change issues. DIR will use a train-the-trainer approach and have the system integrator provide initial training and knowledge transfer. DIR trainers will perform most of the training onsite with business program users.

7. *Organizational Change Management*

External vendor for the project's need for OCM.

8. *Resource Capacity/Skills/Knowledge for Stage 3 Solution Development*

This narrative should include the experience level and quantity of procurement, contract management, and budget staff who will be responsible for the Stage 3 Solution Development.

For Stage 3 Solution Development, DIR procurement staff have robust experience in dealing with the procurement vehicles identified for this project. Aside from leading the procurement phases of two large projects with similar scope (OASIS, EAMS), DIR has successfully executed the purchase of many items using leveraged procurement agreements (TDDC,RFP etc.). DIR in-house procurement, contract management and budget staff with work with DIR's established Project Management Office to conduct the Stage 3 activities.

2.10 Project Planning

1. *Project Management Risk Assessment Note: Attached as a separate document:*

    14. 2.10.1 LETF SIMM 45 PM Risk Score .xlsx

    Updated Project Management Risk Score: **1.6**

    Attach Updated PM Risk Assessment to your email submission. SIMM Section 45A

2. *Project Charter*

    Is your project charter approved by the designated Agency/state entity authority and available for the Department of Technology to review? **Choose**: 'Yes,' 'No,' or 'Not Applicable.' If 'No' or 'Not Applicable,' provide the artifact status in the space provided.

    Project Charter (Approved): Not Applicable

    Status: The DIR is using the S1BA as the project charter.

    Attach a copy of the Project Charter to your email submission. **N/A**

3. *Project Plans* ***Attached as a separate document:***

    15. 2.10.3 LETF_Project Management Plans_Attachment_03192023.docx

    Are the following project management plans or project artifacts approved by the designated Agency/state entity authority and available for the Department of Technology to review? **Choose**: 'Yes,' 'No,' or 'Not Applicable.' If 'No' or 'Not Applicable,' provide the artifact status in the space provided.

    Note: For Low to medium complexity and cost projects, discuss with your PAO manager the option of submitting a Master Project Management Plan in place of individual plans.

    Scope Management Plan (Approved): No

    Status: Incorporated into the master PMP document.

    Communication Management Plan (Approved): Not Applicable

    Status: Incorporated into the master PMP document.

    Schedule Management Plan (Approved) : No

    Status: Incorporated into the master PMP document.

    Procurement Management Plan (Approved): No

Status: Incorporated into the master PMP document.

Requirements Management Plan (Approved): No

Status: To be Developed in Stage 3 with detailed requirements/user stories/outcomes.

Stakeholder Management Plan (Draft): No

Status: Incorporated into the master PMP document.

Governance Plan (Draft): No

Status: Incorporated into the master PMP document.

Contract Management Plan (Draft): No

Status: Incorporated into the master PMP document.

Resource Management Plan (Draft): No

Status: Incorporated into the master PMP document.

Change Control Management Plan (Draft): No

Status: Incorporated into the master PMP document.

Risk Management Plan (Draft + Risk Log): No

Status: Incorporated into the master PMP document.

Issue and Action Item Management Plan (Draft + Issue Log): No

Status: Incorporated into the master PMP document.

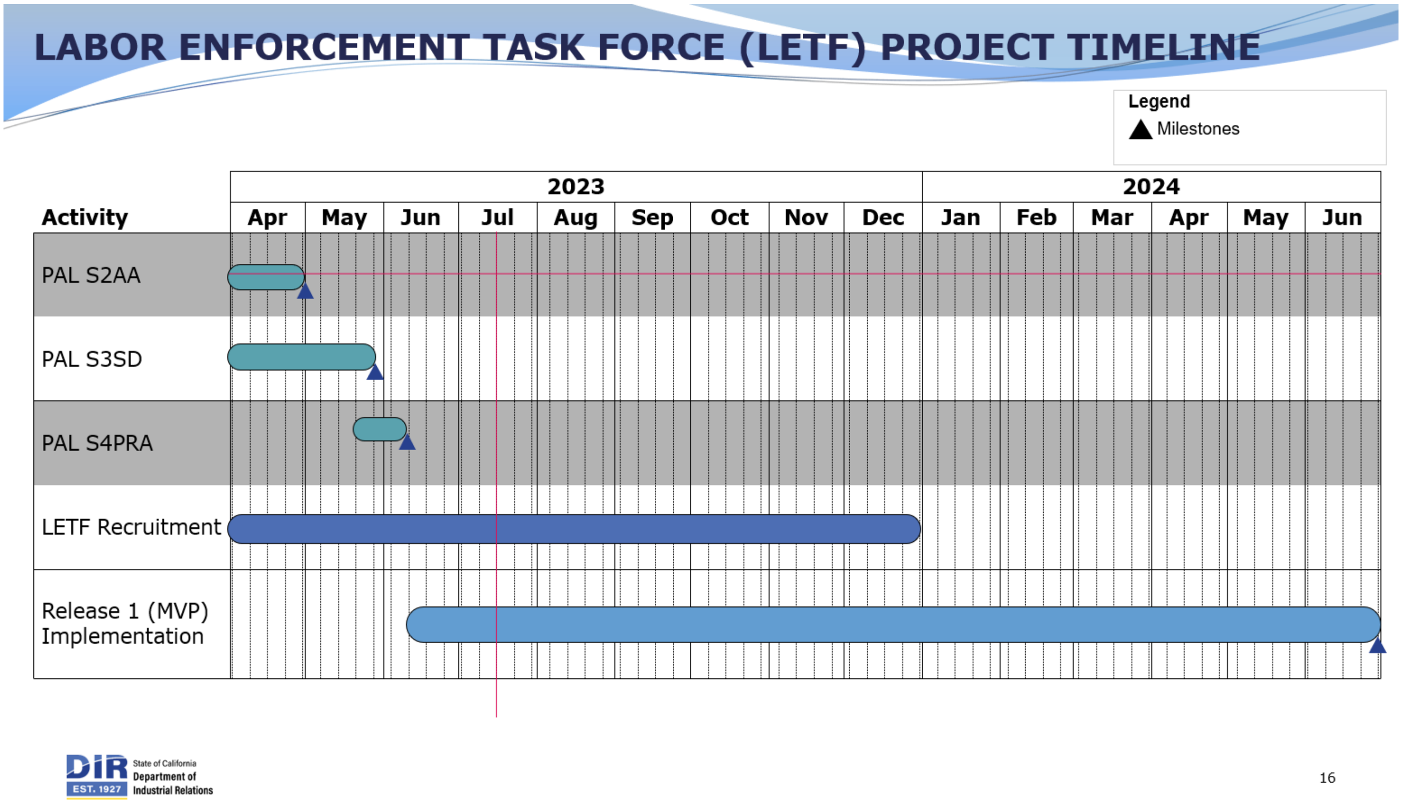
Cost Management Plan (Approved if planning BCP approved): No

Status: Incorporated into the master PMP document.

4. *Project Roadmap (High-Level)*

Attach a high-level Project Roadmap showing remainder of planning phase and transition into execution phase to the email submission. **N/A**

See the Project High-level Roadmap on the following page.



a) Estimated Project Start Date: 6/1/2023

b) Estimated Project End Date for the Release 1 (MVP): 6/30/2024

Note: The project will continue to work on subsequent releases based on the product roadmap after June 2024.

2.11 Data Cleansing, Conversion, and Migration

If in Section 2.3 (above) the answer to the question "Do you have existing data that must be migrated to your new solution?" was marked "Yes," please complete this section.

The California Department of Technology recommends having a Data Consultant start data cleansing, conversion, and migration activities as soon as possible.

GENERAL NOTES: The Department will utilize the procured system integrator to conduct Data Conversion and Migration activities to support the transition from sole reliance on paper files and the current multiple data bases to the new system. Staffing needs for conversion and migration will be addressed by the system integrator and estimates are provided in the FAWs attached. Data migration is dependent on the efforts of the Program and selected solution vendor, and is planned to be accomplished after each phased implementation is complete.

1. *Current Environment Analysis: Not Started*

   The procured system integrator team will include a lead consultant to perform data conversion/migration tasks, including this particular activity.

2. *Data Migration Plan: Not Started*

   The procured system integrator team will include a lead consultant to perform data conversion/migration tasks, including this particular activity.

3. *Data Profiling: Not Started*

   The procured system integrator team will include a lead consultant to perform data conversion/migration tasks, including this particular activity.

4. *Data Cleansing and Correction: Not Started*

   The procured system integrator team will include a lead consultant to perform data conversion/migration tasks, including this particular activity.

5. *Data Quality Assessment: Not Started*

   The procured system integrator team will include a lead consultant to perform data conversion/migration tasks, including this particular activity.

6. *Data Quality Business Rules: Not Started*

   The procured system integrator team will include a lead consultant to perform data conversion/migration tasks, including this particular activity.

7. *Data Dictionaries: Not Started*

   The procured system integrator team will include a lead consultant to perform data conversion/migration tasks, including this particular activity.

8. *Data Conversion/Migration Requirements: Not Started*

   The procured system integrator team will include a lead consultant to perform data conversion/migration tasks, including this particular activity.

2.12 Financial Analysis Worksheets

Attach F.2 Financial Analysis Worksheet(s) to the email submission. **Attached as a separate document:**

16. 2.12 LETF FAW Version 1.xlsx

End of agency/state entity document.

Please ensure ADA compliance before submitting this document to CDT.

When ready, submit Stage 2 and all attachments in an email to ProjectOversight@state.ca.gov.

Department of Technology Use Only

Original “New Submission” Date: 4/18/2023

Form Received Date: 4/18/2023

Form Accepted Date: 4/18/2023

Form Status: Completed

Form Status Date: 4/18/2023

Form Disposition: Approved

Form Disposition Date: 4/18/2023