



Stage 1 Business Analysis

California Department of Technology, SIMM 19A.3 (Ver. 3.0.8, 02/01/2022)

1.1 General Information

1. Agency or State entity Name: 7100 - Employment Development Department

If Agency/State entity is not in the list, enter here with the [organization code](#).

[Click or tap here to enter text.](#)

2. Proposal Name and Acronym: Document Management System (DMS)

3. Proposal Description: (Provide a brief description of your proposal in 500 characters or less.)

The EDD has analyzed a variety of existing software solutions used for its existing imaging, data capture, electronic file submissions, document storage, and retrieval services infrastructure. The proposed vendor solutions must provide the capability to develop processes that are streamlined, scalable, and flexible for variable workloads. The solution features should support the deployment of new configurable, scalable, and robust software for imaging paper and electronic submissions as well as efficiently process defined business workflows. The DMS project will provide foundational capabilities necessary to support EDD modernization and GovOps Strike team recommendations.

4. Proposed Project Execution Start Date: 6/1/2023

5. S1BA Version Number: Version 1

1.2 Submittal Information

1. Contact Information

Contact Name: O'Brien, Brenda

Contact Email: brenda.obrien@edd.ca.gov

Contact Phone: 916-719-4679

2. Submission Type: New Submission

If Withdraw, select Reason: [Choose an item.](#)

If Other, specify reason here: [Click or tap here to enter text.](#)

Sections Changed, if this is a Submission Update: (List all sections changed.)

Summary of Changes: (Summarize updates made.)

[Click or tap here to enter text.](#)

3. Attach [Project Approval Executive Transmittal](#) to your email submission. [Attachment 1.2.3](#)

4. Attach [Stage 1 Project Reportability Assessment](#) to your email submission. [Attachment 1.2.4](#)

1.3 Business Sponsorship

1. Executive Champion (Sponsor)

Title: [Division Chief](#)

Name: [Molly Matubang](#)

Business Program Area: [Document Management Division](#)

2. Business Owner

Title: [Staff Services Manager III](#)

Name: [Erica Looney](#)

Business Document and Information Management Center (DIMC), Document Management Division

3. Product Owner

Title: Document Technology Manager

Name: [Kelly York](#)

Business Program Area: [EDD IT Branch](#)

TIP: Copy and paste or click the + button in the lower right corner on any section to add additional Executive Champions, Business Owners, or Product Owners with their related Business Program Areas as needed.

1.4 Stakeholder Assessment

The Stakeholder Assessment is designed to give the project team an overview of communication channels that the state entity needs to manage throughout the project. More stakeholders may result in increased complexity to a project.

1. Indicate which of the following are interested in this proposal and/or the outcome of the project. (Select 'Yes' or 'No' for each.)

State Entity Only: **Yes**

Other Departments/State Entities: **Yes**

Public: **No**

Federal Entities: **No**

Governor's Office: **No**

Legislature: **No**

Media: **No**

Local Entities: **No**

Special Interest Groups: **No**

Other: **No**

2. Describe how each group marked 'Yes' will be involved in the planning process.

Delegates of the stakeholders will be utilized to analyze and evaluate different software solutions used for imaging, data capture, electronic file submissions, document storage, and retrieval workloads. They will also review and develop processes that are streamlined, scalable, and flexible for the various workloads.

The following entities have been identified as key stakeholders for this effort.

All entities described below use the DMS to aid in carrying out their missions.

Tax Branch

The EDD's Tax Branch administers the collection, accounting and auditing functions of the state's payroll tax program and maintains employment records for more than 18 million California workers. Tax Branch works with employers to promptly collect and accurately report California's employment taxes and data used to pay revenues that support the employment security and Personal Income Tax (PIT) programs. The Tax Branch utilizes the DIMC's services for mail opening, sorting, document imaging, data capture and transmission, document storage and retrieval, cashing, and fund allocation services. The Tax Branch also uses the DMS for their own program activities. These include compliance, collection, and customer service activities as well as for imaging administrative workloads such as legislative analysis, administrative reports, and archival of historical program documentation.

Information Technology Branch (ITB)

The ITB supports EDD's business programs through the successful planning, deployment, and management of information technology. The ITB focuses on the identification, development, and deployment of new technologies that leverage technology to meet the DIMC's mission pertaining to scanning and imaging paper documents and electronic submissions. Data from these documents and submissions, once captured and purified, is automatically uploaded to the EDD mainframe systems Single Client Database (SCDB), Base Wage Database (BWDB), as well as the Accounting and Compliance Enterprise System (ACES), California Unemployment Benefit Services (CUBS) system, and the State Disability Insurance Online (SDIO) applications. Images of the paper documents are then archived for long-term storage and retrieval or routed thru workload management queues for processing.

Disability Insurance Branch (DIB)

The DIB administers the SDI and PFL programs that provide short-term partial-wage replacement benefits to eligible California workers who are temporarily unable to work. These programs include the following components: Disability Insurance (DI), Paid Family Leave (PFL), Voluntary Plan, Non-Industrial Disability Insurance, and Disability Insurance Elective Coverage. The DIB utilizes DIMC services to process forms and documents such as:

- Initial Claim Filing Application (DE 2501, DE 2501F, DE 2501FP)
- Requests for Additional Verifications (DE 2546 series, DE 2550, DE 2566, DE 2578 series)
- Appeals (DE 1000 A, DE 6315D)
- Status Inquiries (DE 2593, DE 2580 series, DE 1869 series)
- Correspondence

Unemployment Insurance Branch (UIB)

The UIB administers the employer-funded UI program, a short-term wage replacement program for unemployed individuals who are able and are actively looking for employment. The UIB uses the DMS to support most of its major functions that include filing UI claims, determining eligibility, and paying benefits timely and accurately. The UIB utilizes DIMC services to process forms and documents such as:

- Continued Claims Form (DE 4581)
- Initial Claim Filing Application (DE 1101I)
- Alternate Base Period (ABP) Application (DE 23 and DE 1919)
- Previously Microfilmed Workloads for UI Integrity & Accounting Division (IAD)
- Notice of Claim Filed Employer Response (DE 1101CZ)

Administration Branch (Admin)

The Admin Branch serves as an operational entity of the EDD to implement administrative actions such as accounting, budgeting, procurement, human resources, facilities, and document management services. The Admin Branch operates the DIMC's services for mail opening, sorting, document imaging, data capture and transmission, document storage and retrieval, cashiering, and fund allocation services. The Admin Branch utilizes DIMC services for imaging of Worker's Compensation (WC) back file documents for closed and archived cases that cannot yet be purged.

Workforce Services Branch (WSB)

The WSB administers the Workforce Innovation and Opportunity Act (WIOA) and Wagner-Peyser Act programs that prepare adults, youth, and dislocated California workers for participation in the workforce. The WSB utilizes DIMC services to scan their WIOA grant binders.

California Unemployment Insurance Board (CUIAB)

The CUIAB processes UI, DI, and Tax appeal decisions. Most appeal decisions are sent electronically to the EDD. However, some offices throughout the state still receive paper documents in specific cases. The CUIAB utilizes the DIMC services to enable the import, indexing, and storage for Appeal Decision PDF documents.

Department of Child Support Services (DCSS)

The DCSS works with parents and guardians to ensure children and families receive court-ordered financial and medical support. DCSS locates parents; establishes paternity; establishes, modifies, and enforces court orders for child support; and establishes, modifies, and enforces orders for health coverage. DIMC services scans paper New Employee Reporting and Independent Contractor Reporting documents for use by DCSS.

Department of Industrial Relations (DIR)

The DIR administers and enforces laws governing wages, hours and breaks, overtime, retaliation, workplace safety and health, apprenticeship training programs, medical care, and other benefits for injured workers. DIR utilizes

DIMC services for scanning, imaging, and retrieval services to enable the import, indexing, and storage of DIR collection payments processed as ACES statements. An example of this is the DE 2176 Employer Account Statement.

1.5 Business Program

1. **Business Program Name:** Document and Information Management Center (DIMC)
2. **Program Background and Context:** (Provide a brief overview of the entity's business program(s) current operations.)

The Employment Development Department (EDD) is one of the largest state departments in California and provides a wide variety of services to millions of Californians under the Job Services, Unemployment Insurance (UI), State Disability Insurance (SDI), Workforce Innovation and Opportunity Act, and Labor Market Information programs. As California's largest tax agency, the EDD administers the collection, accounting and auditing functions of the state's payroll tax program and maintains employment records for more than 18 million California workers.

The Document Management Division and its subsidiary Document and Information Management Center (DIMC) in partnership with the Information Technology Branch (ITB) manage the EDD's enterprise Document Management System (DMS). The DIMC uses high speed scanning equipment and technologies for a variety of services. The DMS technical infrastructure is managed by the Application Services Division (ASD) with assistance from the Infrastructure Services Division (ISD). Both divisions are within the Information Technology Branch. ASD's DMS-IT Group supports the DMS solution's application development and administration functions. ISD supports the DMS solution's infrastructure, which includes network, server hardware, and storage.

The EDD utilizes the Unisys Corporation vendor to provide on-going software and hardware maintenance and professional services to maintain and upgrade the DMS IT infrastructure currently implemented at EDD. Additionally, the Unisys Corporation vendor provides Premier Support to the DMS and related custom applications that interface with the DMS in order to prevent system issues, increase systems availability, and assist with product solutions. The DMS IT systems have been developed and implemented in the DIMC to provide mail opening, sorting, document imaging, data capture, document storage and retrieval, fund allocation, and cashiering services primarily for the UI, DI and Tax branches within the EDD. Data from most of these documents and electronic submissions, once captured and purified, is automatically uploaded to various mainframe, client server, and web applications. Images of the paper documents are then archived for long- term storage or routed thru workload management queues for processing within the enterprise content management systems. The Admin and IT Branches also provide these same services outside of EDD primarily to the California Unemployment Insurance Appeals Board (CUIAB), Department of Child Support Services (DCSS) and the Department of Industrial Relations (DIR).

There have been several technological refreshes at the DIMC since the DMS was originally implemented during the Tax Engineering and Modernization (TEAM) project in 1998.

- In 2006, the Document Management Refresh and Consolidation (DMRC) project involved replacing the TEAM solution with the current consolidated DMS solution.
- In 2014, the Custom Application Modernization Project (CAMP) involved upgrading custom iCapture software for over 150+ EDD DMS forms and over 30 custom applications. Neither of these projects dealt with the problems that this analysis is addressing.
- In 2020, the DIMC, in partnership with DMS ITB staff, completed an upgrade for the scan jobs and operating software on all four (4) Imaging Business Machines, LLC (IBML) 5475s high volume and capacity scanners, and the embedded servers were converted from Microsoft Server 2008 to MS Server 2012.

- 2020-2021, Infolmage 10.0 upgrade to the Unisys architecture and Administration tools across all domains. Server migrations/upgrades MS Server 2019 for all domain servers.
- In 2021, the DIMC and DMS ITB completed the replacement of four (4) end of life IBML 5475 scanners with three (3) IBML Fusion 7400 scanners. During the scanner replacement, the operating system was also upgraded from Microsoft Server 2012 to MS server 2016.
- In 2022, the DIMC and the DMS ITB completed the consolidation of several iCapture workflows and upgraded the Server operating systems to Microsoft Server and SQL 2019.

- 3.** As information technology solutions continue to advance, the Department now offers more convenient electronic self-services for our customers. However, even as the trend continues for EDD customers to use the Department's on-line services, there will always be some need for paper processing for various reasons. Examples follow:
- No current legislative mandates for electronic filing of the UI, DI, and Paid Family Leave (PFL) forms.
 - The implementation of AB 1245, which mandated Employer Electronic Reporting, requires all employers to electronically submit employment tax returns, wage reports, and payroll tax deposits to the EDD. However, some employers requested and received hardship waivers for electronic submission and hence continue to submit paper. This has resulted in DIMC continuing to process paper employer payment exceptions and tax returns from employers with hardship exemptions. In addition, correspondence, adjustments and supporting documentation are submitted via paper processing.
 - As the most populous state in the union, California has a large segment of constituents that live in poverty and low income households and do not have access to technology to request/apply for EDD services requiring them to use paper applications to request program services.

How will this proposed project impact the product or services supported by the state entity?

Modernization of the scanning and content management systems within EDD would allow the Branches to streamline/digitize more paper processes/workloads quickly and efficiently. It would also allow for the creation of digital libraries for the hundreds if not thousands of paper repositories/libraries throughout the department. Successfully completing this project allows the EDD to implement more DI, PFL, Tax, and UI customer documents as scanned and centrally processed workloads faster than in the current system. The document management project will provide the foundational capabilities to support the departments centralization of document scanning services and other GovOp strike team recommendations. The project is also expected to significantly reduce or potentially eliminate manual processing in document preparation and batching, and improve automated data capture technology requiring less manual key entry by staff. Reducing manual handling ultimately makes the DIMC services more efficient and cost effective for our customers while increasing the speed that documents go from unopened envelope to electronic data and images available to program systems or staff for business processing and payment.

TIP: Copy and paste or click the + button in the lower right corner to add Business Programs, with background and context and impact descriptions as needed.

1.6 Project Justification

1. Strategic Business Alignment

Enterprise Architect

Title: [Enterprise Architect](#)

Name: [Richard Ha](#)

Strategic Plan Last Updated? [2017-2021 Attachment 1.6.1](#)

Strategic Business Goal:

Strategic Business Goal 6: Sustainable Business Operations: Align system operations, administration, resources, and business processes with strategic priorities and budgetary parameters.

Alignment: This effort will position the DIMC to take advantage of new opportunities for processing critical workloads using imaging, data capture, electronic file submissions, document storage, and retrieval capabilities. The new system will provide the ability to introduce new capabilities incrementally as business and operational needs change. In addition, the new system will provide for a more sustainable business operations by providing the capability to effectively manage and adjust workload distribution and process flows based on performance data without impacting existing service level agreements (SLAs).

Strategic Business Goal 3: Technological Innovation: Invest in our future by supporting appropriate technology solutions.

Alignment: This effort will result in the deployment of new software that is configurable, scalable, and robust for imaging paper and electronic submissions. These submissions will be processed through the DMS. The DMS system will bring to bear a state-of-the-art software tools and technologies that will allow the DIMC to remain flexible, scalable, reliable, extensible and secure to meet current and future needs.

TIP: Copy and paste or click the + button in the lower right corner to add Strategic Business Goals and Alignments as needed.

Mandate(s): [None](#)

Bill Number/Code, if applicable: [Click or tap here to enter text.](#)

Add the Bill language that includes system-relevant requirements:

[Click or tap here to enter text.](#)

TIP: Copy and paste or click the + button in the lower right corner to add Bill Numbers/Codes and relevant language as needed.

2. Business Driver(s)

Financial Benefit: [No](#)

Increased Revenue: [No](#)

Cost Savings: [Yes](#)

Cost Avoidance: [Yes](#)

Cost Recovery: [No](#)

Will the state incur a financial penalty or sanction if this proposal is not implemented? [No](#)

If the answer to the above question is "Yes," please explain:

[Click or tap here to enter text.](#)

Improvement

Better Services to the People of California: [Yes](#)

Efficiencies to Program Operations: [Yes](#)

Improved Equity, Diversity, and/or Inclusivity: [Yes](#)

Improved Health and/or Human Safety: [No](#)

Improved Information Security: [No](#)

Improved Business Continuity: [Yes](#)

Improved Technology Recovery: [Yes](#)

Technology Refresh: [Yes](#)

Technology End of Life: [No](#)

1.7 Business Outcomes Desired

Executive Summary of the Business Problem or Opportunity:

The existing imaging and scanning software to process documents is complex, and lacks flexibility and enhanced functionality, which prevents the EDD IT staff from leveraging industry-standard software tools and components. This current software prevents EDD from developing new or modifying existing scan jobs quickly for varying workloads to meet changing business needs. The current software is also not cost effective when upgrading to newer versions of software.

Following are specific challenges with the existing software :

- Uses proprietary custom language for development instead of leveraging industry-standard agile software development and configuration tools
- Takes extensive time to develop application solutions due to software configurations requiring maintenance at multiple file and server locations
- Is difficult to install, configure and troubleshoot production issues as the software relies on old windows registries
- Lacks sufficient debugging features
- Relies on vendor's assistance to implement complex legislative mandated changes.

The DIMC has been attempting to add workload for internal UI, PFL, DI and Tax branch customers, but is not able to complete development of adding new scan jobs or new forms in the timeframes customers expect. Some examples are:

- Benefit Overpayment Collection Automation (BOCA) Correspondence/White Mail (WG-005, DE 942, DE998A, DE 992B, EJ-001, DE 6766, TOP Correspondence, BK Correspondence, General Correspondence). BOCA originally requested that DIMC scan their correspondence workload and

capture/key various data from the different forms and correspondence. It was going to take too long to develop a new scan job and/or new forms in iCapture so DIMC offered a scaled back White Mail indexing solution. Due to the project timeline, the original request was not fulfilled.

- The DIB asked to revise PFL form DE 2501F several years ago and provided the DIMC with a mock-up of the revised form. It would not have required a new scan job (there is a PFL scan job that processes DE 2501F already) but the development effort for modifying the form, or essentially creating a new form since it was so different from the existing one, was too much to do within the timeframe that DIB needed it completed. As a result, the original request was not completed.

The inflexibility of the current solution does not lend itself to developing scan jobs with features customers desire. As new scan jobs currently take significant development, configuration, and testing time for customers, the DIMC scanning options often does not meet program deadlines. A better solution needs to be found so that development, configuration, and testing durations via a technology refresh can be substantially shortened and efficient use of resources within DIMC operations can be realized.

Objective ID: 1.1

Objective: Upon implementation of a recommended software solution, the development time of custom data capture and new scan jobs will be reduced.

Metric: Scan job development process time

Baseline: Approximately 16 weeks

Target Result: By end of the project- the development time of custom data capture and new scan jobs will be reduced to within 4 weeks.

Objective ID: 2.1

Objective: Upon implementation of a recommended software solution, multiple formats of input data will be accepted into the software used for image storage and retrieval.

Metric: Data Source input type

Baseline: One

Target Result: Multiple formats (ex. XML, Comma Separated Values).

TIP: Copy and paste or click the + button in the lower right corner to add Objectives as needed. Please number for reference.

TIP: Objectives should identify WHAT needs to be achieved or solved. Each objective should identify HOW the problem statement can be solved and must have a target result that is specific, measurable, attainable, realistic, and time-bound. Objective must cover the specific. Metric and Baseline must detail how the objective is measurable. Target Result needs to support the attainable, realistic, and time-bound requirements.

1.8 Project Management

1. Project Management Risk Score: 0.2 [Attachment 1.8.1](#)

(Attach a completed Statewide Information Management Manual (SIMM) Section 45 Appendix A Project Management Risk Assessment Template to the email submission.) Statewide Information Management Manual (SIMM) Section 45 Appendix A Project Management Risk Assessment Template to the email submission.)

2. Project Approval Lifecycle Completion and Project Execution Capacity Assessment

Does the proposal development or project execution anticipate sharing resources (state staff, vendors, consultants, or financial) with other priorities within the Agency/state entity (projects, PALs, or programmatic/technology workload)?

Answer: [Yes](#)

Does the Agency/state entity anticipate this proposal will result in the creation of new business processes or changes to existing business processes?

Answer (No, New, Existing, or Both): [Both New and Existing Processes](#)

1.9 Initial Complexity Assessment

1. Business Complexity Score: 1.8

(Attach a completed [SIMM Section 45 Appendix C](#) to the email submission.) [Attachment 1.9.1](#)

2. Noncompliance Issues: (Indicate if your current operations include noncompliance issues and provide a narrative explaining how the business process is noncompliant.)

Programmatic regulations: [No](#)

HIPAA/CIIS/FTI/PII/PCI: [No](#)

Security: [No](#)

ADA: [No](#)

Other: No

Not Applicable: No

Noncompliance Description: N/A.

3. Additional Assessment Criteria

If there is an existing Privacy Threshold Assessment/Privacy Information Assessment, include it as an attachment to your email submission.

How many locations and total users is the project anticipated to affect?

Number of locations: 61

Estimated Number of Transactions/Business Events (per cycle): FY 2020/21 ~20 Million Scanned Forms and FY 2021/22 ~10 Million Scanned Forms

Approximate number of internal end-users: ~12,000

Approximate number of external end-users: Zero

1.10 Funding

Planning

1. Does the Agency/state entity anticipate requesting additional resources through a budget action to **complete planning** through the project approval lifecycle framework? [No](#)

If Yes, when will a budget action be submitted to your Agency/DOF for planning dollars?

[Click or tap to enter a date.](#)

2. Please provide the Funding Source(s) and dates funds for planning will be made available:

BCP Fund Date: 07/01/2022

Project Implementation Funding

1. Has the funding source(s) been identified for **project implementation**? [Yes](#)

If known, please provide the Funding Source(s) and dates funds for implementation will be made available:

BCP Funds

Will a budget action be submitted to your Agency/DOF? [Yes](#)

If "Yes" is selected, specify when this BCP will be submitted: May 2022

2. Please provide a rough order of magnitude (ROM) estimate as to the total cost of the project:
Between \$10 Million and \$50 Million

End of agency/state entity document.

Please ensure ADA compliance before submitting this document to CDT.

When ready, submit Stage 1 and all attachments in an email to ProjectOversight@state.ca.gov.

Department of Technology Use Only

Original "New Submission" Date: [2/6/2023](#)

Form Received Date: [2/6/2023](#)

Form Accepted Date: [2/6/2023](#)

Form Status: [Completed](#)

Form Status Date: [2/6/2023](#).

Form Disposition: [Approved](#)

If Other, specify: [Click or tap here to enter text.](#)

Form Disposition Date: [2/6/2023](#)

Department of Technology Project Number (0000-000): [7100-237](#)