

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
 DF-46 (REV 08/15)

Spring Finance Letter FY15-16

Fiscal Year 2016-17	Business Unit 1700	Department Fair Employment and Housing	Priority No. 2
Budget Request Name 1700-300-BCP-BR-2016-A1		Program 1490 – ADMINISTRATION OF CIVIL RIGHTS	Subprogram

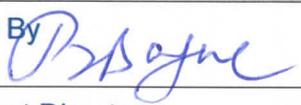
Budget Request Description
 Replace existing Case Management System

Budget Request Summary

The Department of Fair Employment and Housing (DFEH) is requesting \$1,928,000 from the General Fund, \$1,450,000 from the Enforcement Litigation fund and three permanent positions in the budget year and \$993,000 in fiscal year 2017-18, to replace DFEH's current Case Management System (CMS). The total cost of this project is \$6,524,000 of which \$2,153,000 is being redirected from existing resources. DFEH is also requesting an additional \$944,000 from the General Fund in subsequent years for ongoing costs.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed N/A	
Does this BCP contain information technology (IT) components? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO PJ Bajwa 	Date 3/24/16
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. Date:		

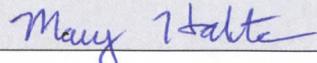
If proposal affects another department, does other department concur with proposal? Yes No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By PJ Bajwa 	Date 3/24/16	Reviewed By Joan Keegan 	Date 3/24/16
Department Director Kevin Kish 	Date 3/24/16	Agency Secretary Jana Daley 	Date 3/25/16

Department of Finance Use Only

Additional Review: Capital Outlay ITCU FSCU OSAE CALSTARS Dept. of Technology

BCP Type: Policy Workload Budget per Government Code 13308.05

PPBA 	Date submitted to the Legislature 4/1/16
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BCP Fiscal Detail Sheet

BCP Title: Replace existing Case Management System

DP Name: 1700-300-BCP-DP-2016-A1

Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Positions - Permanent	0.0	3.0	3.0	3.0	3.0	3.0
Total Positions	0.0	3.0	3.0	3.0	3.0	3.0
Salaries and Wages						
Earnings - Permanent	0	213	213	213	213	213
Total Salaries and Wages	\$0	\$213	\$213	\$213	\$213	\$213
Total Staff Benefits	0	98	98	98	98	98
Total Personal Services	\$0	\$311	\$311	\$311	\$311	\$311
Operating Expenses and Equipment						
5301 - General Expense	0	6	6	6	6	6
5304 - Communications	0	3	2	2	2	2
5320 - Travel: In-State	0	6	6	6	6	6
5322 - Training	0	6	6	6	6	6
5324 - Facilities Operation	0	117	36	36	36	36
5340 - Consulting and Professional Services - External	0	450	0	0	0	0
5340 - Consulting and Professional Services - Interdepartmental	0	342	0	0	0	0
5346 - Information Technology	0	2,122	628	578	578	578
5368 - Non-Capital Asset Purchases - Equipment	0	15	0	0	0	0
Total Operating Expenses and Equipment	\$0	\$3,067	\$684	\$634	\$634	\$634
Total Budget Request	\$0	\$3,378	\$995	\$945	\$945	\$945
Fund Summary						
Fund Source - State Operations						
0001 - General Fund	0	1,928	995	945	945	945
3246 - Fair Employment and Housing Enforcement and Litigation Fund	0	1,450	0	0	0	0
Total State Operations Expenditures	\$0	\$3,378	\$995	\$945	\$945	\$945
Total All Funds	\$0	\$3,378	\$995	\$945	\$945	\$945
Program Summary						
Program Funding						
1490 - Administration of Civil Rights Law	0	3,378	995	945	945	945
Total All Programs	\$0	\$3,378	\$995	\$945	\$945	\$945

Personal Services Details

Positions	Salary Information								
	Min	Mid	Max	CY	BY	BY+1	BY+2	BY+3	BY+4
1312 - Staff Info Sys Analyst (Spec) (Eff. 07-01-2016)				0.0	1.0	1.0	1.0	1.0	1.0
1470 - Assoc Info Sys Analyst (Spec) (Eff. 07-01-2016)				0.0	1.0	1.0	1.0	1.0	1.0
1587 - Sys Software Spec I (Tech) (Eff. 07-01-2016)				0.0	1.0	1.0	1.0	1.0	1.0
Total Positions				0.0	3.0	3.0	3.0	3.0	3.0
Salaries and Wages	CY	BY	BY+1	BY+2	BY+3	BY+4			
1312 - Staff Info Sys Analyst (Spec) (Eff. 07-01-2016)	0	74	74	74	74	74			
1470 - Assoc Info Sys Analyst (Spec) (Eff. 07-01-2016)	0	65	65	65	65	65			
1587 - Sys Software Spec I (Tech) (Eff. 07-01-2016)	0	74	74	74	74	74			
Total Salaries and Wages	\$0	\$213	\$213	\$213	\$213	\$213			
Staff Benefits									
5150900 - Staff Benefits - Other	0	98	98	98	98	98			
Total Staff Benefits	\$0	\$98	\$98	\$98	\$98	\$98			
Total Personal Services	\$0	\$311	\$311	\$311	\$311	\$311			

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Case Management System**

A. Budget Request Summary

The Department of Fair Employment and Housing (DFEH) is requesting \$1,928,000 from the General Fund, \$1,450,000 from the Enforcement Litigation fund and three permanent positions in the budget year and \$993,000 in fiscal year 2017-18, to replace DFEH's current Case Management System (CMS). The total cost of this project is \$6,524,000 of which \$2,153,000 is being redirected from existing resources. DFEH is also requesting an additional \$944,000 from the General Fund in subsequent years for ongoing costs.

B. Background/History

The right to seek and hold employment and to access housing and public accommodations, free of discrimination, is recognized as a civil right for all individuals within the State of California (Gov. Code § 12921) and denial of equal employment opportunity "...foments domestic strife and unrest, deprives the state of the fullest utilization of its capacities for development and advancement, and substantially and adversely affects the interest of employees, employers and the public in general" (Gov. Code § 12920).

DFEH receives, investigates, conciliates, mediates, and prosecutes complaints of alleged violations of the Fair Employment and Housing Act (FEHA), Unruh Civil Rights Act, Disabled Persons Act, and Ralph Civil Rights Act. At the core of the DFEH's mission is the mandate to provide thorough, timely, and fair investigations of discrimination complaints received from the public.

DFEH receives approximately 23,000 discrimination complaints annually and is required to investigate all complaints. Approximately 50 percent of the claims are requests for "Right to Sue." This occurs when complainants decide to immediately sue rather than proceed through DFEH's investigation process and the Right to Sue letter from DFEH is required to file the lawsuit. The remaining 50 percent of claims are investigated by DFEH. When DFEH finds a complaint has merit, the FEHA requires that DFEH file a civil complaint within 365 days from the date the complaint was filed.

To process and track this massive volume of complaints, DFEH implemented a web-based CMS known as "Houdini" in May 2012. The CMS allows complainants and/or their representatives to file online complaints, and provides the ability to submit online Public Records Act (PRA) and Right-to-Sue requests.

The vendor for the current CMS notified DFEH that the company will not renew its contract and will terminate all system support at the conclusion of the existing contract in December 2017. The CMS is a mission critical application for DFEH and lack of a system would require DFEH to revert to a paper-based process. This would be extremely time consuming and laborious, and would hinder DFEH's effectiveness in meeting the public need and in fulfilling its statutory mandate.

DFEH currently uses the web program Houdini to manage complaints through the investigation lifecycle of filing, investigating, mediating, litigating, and closing complaints as described below. This process is substantially similar for all types of complaints received by DFEH:

- A member of the public files an initial inquiry with DFEH through the current CMS.
- An assigned DFEH Investigator conducts an interview with the complainant to determine if the complaint meets the acceptance criteria and, if so, the Investigator drafts the complaint and sends to the complainant for signature.

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- The official signed complaint is entered into the CMS, and the system automatically assigns a DFEH case number, and a federal Equal Employment Opportunity Case (EEOC) number for dual-filed cases.
- The assigned Investigator investigates the case by interviewing parties and witnesses, and reviewing supporting documentation, and may attempt to resolve the case with the parties, send the case to formal mediation, or refer to the Legal Division.
- If the parties reach an agreement and execute a settlement, or if there is no probable cause to prove a violation of law, the case is closed.
- If the Investigator determines the case has merit and it is not resolved, the case is transferred to the Legal Division for possible civil litigation.
- All information related to the investigation and civil litigation is entered into the CMS.

C. State Level Considerations

There are no legal implications of this proposal and no need to change the law to implement the solution. The proposal is requesting funds to implement and maintain a new CMS. While the authority to process discrimination complaints and the legal requirements for such processing are in statute, the specific processes are determined by DFEH. This proposal would only affect DFEH's internal processes and how it interacts with the complainants, respondents, and attorneys; no actions from other state governmental entities are required.

D. Justification

This request directly supports DFEH's Strategic Plan Goal Number 4: Manage our programs in an efficient and effective manner. DFEH is committed to serving the public through an efficient system and providing services to better serve complainants, respondents, and stakeholders.

It is important to note that while DFEH is currently in the process of developing a strategic plan, the Executive Team did adopt interim strategic goals in February 2015. The five adopted goals are:

- Provide fair, accurate, and timely investigation and resolution of complaints filed.
- Increase the public's awareness of their rights and responsibilities under the law.
- Help to foster an environment in California that is free of discrimination.
- Manage our programs in an efficient and effective manner.
- Create a positive and productive work environment for DFEH's employees.

As stated above, the current CMS vendor notified DFEH that their company would terminate services and not renew the contract after the December 2017 termination date. DFEH is working with the California Department of Technology (CDT), which is aware of the urgent need to procure a replacement system. The Stage 1 Business Analysis (S1BA) was approved by CDT on December 14, 2015, and the Stage 2 Alternative Analysis (S2AA) will be approved by April 1, 2016. The CDT is aware that we have submitted this SFL.

Ability to meet statutory obligations

Implementation of a new system will allow DFEH to maintain continuity of services after termination of the existing CMS. Without a new CMS, DFEH would be forced to revert to a manual and paper intensive process, which would require requesting a significant number of staff to meet performance goals mandated by statute and by DFEH's federal partners. Without an efficient and automated CMS, DFEH will be unable to carry out its statutory mandates in a timely and effective manner.

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Efficiency and Timeliness of Processes

Manual paper-based processes will result in lengthy turnaround times for entering, tracking, and reporting complaint information in all DFEH Divisions, increase the risk of error, and ultimately diminish the quality of case processing. It will also result in the inability to electronically track and report complaint lifecycle information such as Right-to-Sue letters, communication center calls, event tracking, document management, and appointments.

Other business functions that will be impacted include, but are not limited to, DFEH's ability to:

- Determine status of complaints and communications between staff, complainants, respondents, and attorneys.
- Conduct conflict checks on cases.
- Run reports required by the legislature and/or that are otherwise useful for internal case management and quality control.
- Electronically associate all pertinent case documents within case files.
- Prevent duplication of effort, including the ability to track and assign multiple cases involving the same parties.
- Provide custom alerts or events for case assignment, attach documents, or status changes.
- Create automated notification letters for correspondence to complainants and respondents.
- Filter and search for cases.
- Balance case workload.
- Track the amount of time required to process and close cases.

Reporting/Data Analysis

DFEH is legally required to complete cases within specific time periods. DFEH receives federal funding from the EEOC and the United States Department of Housing and Urban Development (HUD). When DFEH determines a complaint has merit, the FEHA requires that DFEH file a civil complaint within 365 days from the date the complaint was filed. Further, when a housing case is dual filed with DFEH and HUD, one of the performance standards HUD uses to evaluate DFEH's performance under the Workshare Agreement is whether DFEH closes 50 percent of cases within 100 days. Without a reliable CMS that meets DFEH's needs, it would be extremely difficult to track cases and generate reports notifying staff that Statute of Limitations (SOL) is approaching. Additionally, without such reporting capability, DFEH would be unable to respond to control agency and legislative requests for information in a timely manner. The requested data would have to be manually extracted from logs and other records in multiple offices. Manually collecting such information would take significant staff time as investigators would need to review each case individually to determine the SOL date and other crucial deadlines. As a result, DFEH would be challenged to meet EEOC, HUD, and other mandated reporting requirements.

Measuring Performance

The lack of a new system will impede DFEH's ability to monitor case assignments and progress, including investigative timelines and the number of cases referred to the Legal and Dispute Resolution Divisions, settled, or otherwise closed. Evaluating staff performance will require on-site review of individual paper files.

Responding to PRA Requests

DFEH receives approximately 400 PRA requests per month. Without a system in place, processing these requests will require significant personnel-hours for file retrieval, billing, correspondence, copying, and redactions. This manual process will greatly increase program costs.

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Meeting Legal Division's Needs

DFEH collects legal fees as part of a settlement or judgment in some cases. Without a new CMS, DFEH's Legal Division would not be able to efficiently track litigation expenses and attorney activities for attorney fee purposes. DFEH staff would have to use manual logs to calculate attorney fees, litigation expenses, and to monitor settlement agreements. The use of a manual process is not cost effective and increases risks of error.

Opportunities to be included with new CMS

With the new CMS implementation, DFEH will be able to address gaps in critical business functions that exist in the current system, including:

Appointment System

The new CMS will include an appointment system that will allow complainants or DFEH's Communications Center staff to schedule an initial intake interview with an investigator. Under the current system, an investigator manually contacts the complainant to schedule the intake interview. This often results in several calls and/or emails back and forth until the parties connect. The new system would allow complainants or the Communications Center staff to see available time slots and schedule intake appointments online. The appointment function will also allow complainants to make appointments based on language, disability, and/or statute of limitations needs.

Document Uploading

The new CMS will allow the public to upload relevant case documents directly through the online portal. The current system lacks this functionality. Therefore, documents are usually sent to the assigned consultant via several emails as the maximum file size limits the number and size of documents per email. DFEH anticipates this functionality will decrease the amount of time an investigation takes.

External Interfaces

The new CMS includes a feature that provides an automated interface for uploading information into HUD and EEOC systems. Currently, DFEH staff enters complaint information into Houdini. This same information must be hand keyed into the EEOC's system and cut and pasted into HUD's federal system. This redundant data entry results in longer processing times and increases the chance of errors and omissions.

Security

The new CMS will be able to implement an end-to-end encrypted secured connection, with additional security layers or approved compensating security control(s). This will provide additional protection for confidential, sensitive, and/or personal information that is transmitted or accessed outside the secure internal network (e.g., email, remote access, file transfer, Internet/website communication tools) of DFEH.

Americans with Disabilities Act (ADA) compliance – website accessibility

The ADA requires that DFEH provide individuals with disabilities equal access to programs, services, and activities. These requirements would be built into the new CMS at the outset to ensure individuals with disabilities would be able to navigate through the interface. This is especially important so that DFEH can adequately serve people with disabilities who want to file a discrimination complaint. The current system's web pages and content only provide limited accessibility to individuals with disabilities.

Resources Needed

To implement and support DFEH's critical business functions through a new CMS, DFEH plans to procure and implement a Commercial-Off-the-Shelf (COTS) Software-as-a-Service (SaaS) Customer

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Relationship Management (CRM) System that is hosted and maintained by the vendor in their cloud environment.

To implement and support the new system, DFEH would need three additional technical resources as follows:

- Systems Software Specialist I (1.0)
- Staff Information Systems Analyst (1.0)
- Associate Information Systems Analyst (1.0)

The current staffing level within DFEH's IT Division is insufficient to provide support to both DFEH's current infrastructure, and to implement and support the new CMS. DFEH does not have access to configure Houdini for its business needs; staff can only provide limited support in resolving login account issues, delegating user access, modifying templates, generating a limited number of reports, and providing assistance to staff in resolving data errors.

The new CMS will be supported by a combination of existing and new IT resources. New IT resources will cover the project support activities by working with the vendor to implement the replacement system, as well as the ongoing support to configure and support the CMS with added functionality that includes user account management, designing and modifying templates, configuration of business processes in the new CMS, document and content management support, external interfaces programming, online web portal, database support, report configuration, and training related activities.

More specifically, new technical resources would be responsible for:

- System implementation and continuous support: the new resources are needed to work with the vendor on design, development, testing, implementation, user account management, training, documentation, helpdesk support, application rollout, continuous technical support, and implementing processes and procedures department wide.
- Reports: creating, configuring, and customizing reports for all business functions in the new CMS.
- Databases: database content administration, security permissions, support, and maintenance.
- Document management and collaboration system: setting up configuration and integration workflows, document management and versioning, collaboration management, and administration of information on DFEH business processes.
- Auditing: audit trails and event logging will be implemented for case investigations, mediations, and legal processing.
- Application system administration: performance monitoring, security profiles management, training, backup and restore, permissions and provisioning at data field levels, administration of federal external interfaces, feature customization, and generating new templates and letters.
- Web portal administration and configuration: updates, integration with application program interfaces for online filing databases, invoicing, payment portal, forms, etc.

Considering the project's business and technical complexity, DFEH and the CDT State Project Management Office (CA-PMO) have determined that the project will require a Data Processing Manager III to plan, organize, and manage the new CMS project for 12 months from July 1, 2016 to June 30, 2017. It is anticipated that this will be one-time consulting services cost through the CA-PMO.

Although the total cost for this project is \$6,523,809, \$2,153,082 of this cost will be redirected from existing resources. These resources include existing IT staff that currently support the Houdini CMS. As Houdini is phased-out, these staff will be able to provide support for the new CMS. Additionally, staff and management level personnel from the Legal, Enforcement, Dispute Resolution Divisions will

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provide consultative support during the implementation of the new CMS to ensure that the end-user product provides the functionality as previously described.

E. Outcomes and Accountability

1. By June 2017
Implement new CMS with 98 percent system uptime.
 - a. Implement a 100 percent secured encrypted communication channel to protect confidential, sensitive, and personal data transmission between users and the CMS.
 - b. Ensure the new CMS is at least 95 percent compliant with the 508 ADA regulations.
 - c. Provide 90 percent of data analysis and reporting capabilities to run complaint, employment, housing, and litigation statistical data reports.
 - d. Implement Legal billing functionality so the Legal Division can track all litigation expenses and attorneys' billing hours.
 - e. Implement functionality for the public to upload their case documents directly through online portal.
2. Within a month of the CMS implementation, ensure 100 percent of the current case data is migrated into the new CMS.
3. Within six months after CMS implementation, implement an appointment system as part of the CMS to schedule 90 percent of the appointments for the complainants.
4. By December 2017
 - a. Enable automated creation of audit trails and version histories for 100 percent of case matters to ensure all work and changes are tracked and documented.
 - b. Implement interfaces to export complaint information data into federal HUD and EEOC systems.

Projected Outcomes

Workload Measure	CY	BY	BY+1
CMS uptime	85%	98%	99%
Help desk tickets related to access and general system issues	798	90% reduction	95% reduction
Help desk tickets related to PRA requests	54	100% reduction	100% reduction
Help desk tickets related to errors with the data in the system	406	100% reduction	100% reduction

F. Analysis of All Feasible Alternatives

Alternative 1 – Implement a COTS SaaS Customer Relationship Management (CRM) system that is hosted and maintained by the vendor in their cloud environment.

Considering DFEH has a small IT Division and limited IT staff, this proposal is the most feasible, fiscally responsible, and meets the necessary implementation timeframe. DFEH technical staff will be providing data and system administration, configuration, and application support whereas the vendor will provide server computing environment and most of the backend security controls. Compared with other alternatives, this alternative meets DFEH's objective of implementing a reliable, cost-effective solution to manage civil right complaint cases.

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Total one time project costs: \$6,523,809
Total project continuing costs: \$1,507,888

Pros

- COTS CRM provides a robust alternative with respect to reliability, system uptime, scalability, and adaptability.
- Simple subscription-based COTS technology to plan, design, and implement as the solution. This alternative assumes that it will be a vendor hosted and maintained COTS system.
- Existing cases can be easily migrated from current system to continue providing resolution to the complaints.
- Off-set the General Fund costs by \$1.45M with DFEH's Enforcement Litigation Fund.
- Provides timely management information and reporting capabilities.
- Provides an efficient and easy to use public interface to file complaints.
- Requires less use of IT resources to implement and support the system compared to other alternatives.
- Implementation phase is short with quick turnaround for employees to conduct their business.
- Low implementation costs and low risk of project failure.
- Back-end costs are shared by multiple users.

Cons

- Increased expenditure to the General Fund.
- DFEH's time and effort to procure and install another system.

Alternative 2 – Purchase and customize the existing CMS (Houdini).

Cost: Approximate total one-time cost of \$15 million and ongoing costs of \$1.67 million will include personal services expenditures, software and customization, consulting services, and OE&E expenditures.

Total one time project costs: \$15,341,609
Total project continuing costs (average per year): \$1,668,613

This option requires acquiring and modifying a current vendor's software code, architecture, and related databases, and is subject to completing a successful negotiation with the vendor. This option is similar to developing a custom code for DFEH's business needs and would require hiring technical resources with adequate technology skillsets, training the resources for the current vendor technologies so they can be readily available to develop, modify, and maintain the code along with backend administration of the system, hardware, and databases. Per discussions with the existing vendor, technical resources required to maintain the system requires 10-12 years of experience in referenced technologies (i.e., skills required to maintain the system such as Java, JavaScript, Java extensible applications, Struts, and SQL). To ensure that DFEH would be able to maintain the procured system, DFEH would have to incur training costs, which is more costly compared to other alternatives.

In the SaaS alternative (#1), the system modification, system maintenance, database maintenance, and infrastructure costs are incurred by the vendor. Since the vendor's offering would be cloud based, backend costs are shared with multiple customers. Customers pay a per-user license fee for the number of subscribed users.

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System one-time costs

System purchase cost would be \$5.6 million, which includes:

- Source code
- Application programming interfaces
- Database
- Ancillary applications
- Unanticipated system costs
- Transition/training/code knowledge transfer

External system consulting and system integration contract for \$2,220,000 for three years.

Technical training and readiness for \$150,000 per year for three years. (Training would be required for Java, JavaScript, SQL, HTML, FLEX, C++, C#, UNIX, Web architect.)

Data Center Operations and Infrastructure costs for \$345,000.

Redirected staff costs including OE&E for the duration of the project would be \$4,548,139.

7 FTE positions with at least 15 years of experience would be \$2,128,470 for two years of project implementation and one year for project maintenance.

- 1 Systems Software Specialist III (Software architect/engineer)
- 2 Systems Software Specialist III (Programmer/developer in C#, C++, and Java)
- 1 Systems Software Specialist II (UNIX and Security System Administrator)
- 1 Systems Software Specialist II (Server Administrator)
- 1 Software Information System Analyst (Software tester)
- 1 Software Information System Analyst (Database administrator/developer)

Continuing costs

Data Center and Infrastructure costs for \$115,000.

DFEH Technical and ongoing maintenance support for four positions, existing staff, and all associated OE&E costs totaling \$1,289,327.

- 2 Staff information Systems Analyst
- 2 Software Systems Specialist II

Support contract for \$250,000.

Pros

- Possibility to continue with an existing system contingent upon the vendor's agreement to sell its proprietary code.
- Less training time and learning curve for stakeholders.
- No business service disruptions and changes to DFEH business processes.

Cons

- Expensive system to buy.
- Significant additional state staffing costs needed to modify and maintain the system for understanding detailed architecture and code to customize it for DFEH business needs, and to incorporate additional business functions.
- Hire resources to provide technical training to IT staff for multifarious skill sets.

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- An additional cost for the infrastructure to host the application at Office of Technology Services.
- Require longer implementation cycle definitely surpassing the expiration date of existing maintenance contract.

Alternative 3 – Utilize an existing agency's Case Management System.

Total one time project costs: \$8,019,242

Total project continuing costs: \$966,487

System costs are as follows:

One-time costs

Software package and DFEH customization needs - \$2,000,000

Software system integration - \$1,600,000

Project management and consulting services - \$842,000

Unanticipated tasks - \$100,000

Hardware - \$486,000

New and redirected staff costs including OE&E for the duration of the project - \$2,991,242

Continuing costs

DFEH technical and ongoing maintenance support for existing staff and all associated OE&E costs, including the following new personnel - \$966,487

New staff:

- Systems Software Specialist I (1.0)
- Staff Information Systems Analyst (1.0)
- Associate Information Systems Analyst (1.0)

CDT approved the CMS S1BA with the understanding that DFEH would assess CMS solutions being used by other state departments. Therefore, DFEH reached out to the Department of Consumer Affairs (DCA) BreEZe project in an effort to possibly share a CMS. The DCA is open to considering a possible partnership, however, according to the BreEZe Project Director, DCA will not be ready to partner with non-DCA entities until at least 2020. This alternative is not feasible as DFEH must have a CMS replacement by June 2017.

Pros

- Easy procurement as DFEH would enter into an Interagency Agreement with DCA.
- Possible ease of approval by reporting agencies.
- Project management services and infrastructure setup and cost is shared.
- More resources available providing help in lessons learned.

Cons

- BreEZe system will not be ready to consider non-DCA entities by DFEH's contract termination date.
- Extensive requirements analysis to accommodate for DCA's system and business needs.
- BreEZe system itself is on halt to include requirements for other programs.
- Extensive turnaround time for changes into Change Control Board for updating system and infrastructure.
- DFEH will be relying on DCA's programs' business priorities and goals thus adding extra coordination and dependency.

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- Implementation costs may be high based on DCA's current vendor rates and surcharges.

G. Implementation Plan

Upon approval of this request, DFEH will create detailed project plans for the procurement and implementation of the new system. DFEH will begin recruiting for all requested positions starting July 1, 2016. It is anticipated that a CMS contract will be awarded in FY 2016-17 and work will commence beginning September 2016. Project implementation is scheduled to complete by the end of June 2017.

Task	Expected Completion Date	Milestone
Budget Change Proposal (BCP)/Spring Finance Letter (SFL) approval	4/1/2016	BCP/SFL approved by DOF (Final approval will be with the enactment of 2016-17 Budget Act)
Finalize project management plans	5/15/2016	Approved project management plans
Request for offer (RFO) development	5/31/2016	Completed RFO
RFO Solicitation	6/30/2016	Completed solicitation
Contract award	7/1/2016	Executed vendor contract
Hiring of three technical resources	7/1/2016	Hire staff
Requirements analysis and validation	10/1/2016	Formal business requirements document
Configuration/development	1/31/2017	Acceptance test plan completed
User acceptance testing	3/31/2017	Acceptance testing results report and sign off
Implementation	4/30/2017	System in production
Project completed (12 months)	6/30/2017	Project closed
Post Implementation Evaluation Review (PIER)	6/30/2018	PIER Submitted

H. Supplemental Information

Please see Attachments A, B, C, and D for cost detail, fund condition statement, and workload data.

I. Recommendation

Approve Alternative #1 – Implement a COTS SaaS CRM System

The proposed solution for addressing DFEH's CMS requirements is acquiring a COTS SaaS CRM system that is fully hosted and maintained by the vendor.

Considering DFEH has a small IT Division and limited IT staff, this proposal is the most feasible, fiscally responsible, and meets the necessary implementation timeframe. DFEH technical staff will be providing data and system administration, configuration, and application support whereas the vendor will provide the server computing environment and most of the backend security controls. Compared with other alternatives, this alternative meets DFEH's objective of implementing a reliable, cost-effective solution to manage civil right complaint cases.

**Department of Fair Employment and Housing
FY 2016-17 Spring Finance Letter
Case Management System (Attachment A)**

							FY 2016-17	FY 2017-18		FY 2018-19
	Positions	Mid-Rage Annual Salary	Benefits	FY 16-17 Operating Expenses and Equipment*	FY 17-18 Operating Expenses and Equipment**	Contract Services	One-Time	One-Time	Ongoing	Ongoing
Information Technology Division										
<u>Information Technology Staffing</u>										
Systems Software Specialist I	1.0	73,536	33,827	15,000	7,500		122,363		114,863	114,863
Staff Information Systems Analyst	1.0	73,548	33,832	15,000	7,500		122,380		114,880	114,880
Associate Information System Analyst	1.0	65,436	30,101	15,000	7,500		110,537		103,037	103,037
<u>Case Management System (One-time costs)</u>										
Software							287,500			
Software Customization***							1,200,000			
Project Oversight							90,000			
Other Contract Services (procurement)							52,000			
Dept. Technology Project Management							200,000			
System Integration (Vendor)							250,000			
Validation and Verification (Vendor)							200,000			
Unanticipated Tasks							50,000	50,000		
<u>Case Management System (Ongoing costs)</u>										
Continuing License Agreement						575,000	575,000		575,000	575,000
<u>Facility Operations</u>										
Headquarter Expansion Costs							81,432			
Annual Rent Increase							35,868		35,868	35,868
Total	3.0			45,000	22,500	575,000	3,377,079	50,000	943,647	943,647
General Fund							1,927,079	50,000	943,647	943,647
DFEH Enforcement Litigation Fund							1,450,000	-	-	-

* The OE&E compliment for FY 16-17 includes the initial set-up costs associated with new staff

** The OE&E compliment for FY 17-18 will be the on-going costs

*** DFEH proposes the one-time costs for Software Customization and System Integration be funded through the use of DFEH's Enforcement Litigation Fund.

See fund condition statement for the Enforcement Litigation Fund # 3246 (attachment D)

**Department of Fair Employment and Housing
FY 2016-17 Spring Finance Letter
Case Management System (Monthly Cost Breakdown)**

Item of Expense	Monthly Expenditure by Item											
	*Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Information Technology Division												
<u>Information Technology Staffing</u>												
Systems Software Specialist I	17,072	9,572	9,572	9,572	9,572	9,572	9,572	9,572	9,572	9,572	9,572	9,572
Staff Information Systems Analyst	17,073	9,573	9,573	9,573	9,573	9,573	9,573	9,573	9,573	9,573	9,573	9,573
Associate Information System Analyst	16,086	8,586	8,586	8,586	8,586	8,586	8,586	8,586	8,586	8,586	8,586	8,586
<u>Case Management System (One-time costs)</u>												
Software**	287,500											
Software Customization***	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Project Oversight	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Other Contract Services (procurement)**	52,000											
Dept. Technology Project Management	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667
System Integration (Vendor)****	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833
Validation and Verification (Vendor)****	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667
Unanticipated Tasks****	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167
<u>Case Management System (Ongoing costs)</u>												
Continuing License Agreement ¹												575,000
<u>Facility Operations</u>												
Headquarter Expansion Costs**	81,432											
Annual Rent Increase	2,989	2,989	2,989	2,989	2,989	2,989	2,989	2,989	2,989	2,989	2,989	2,989
Total	639,986	196,554	771,554									
General Fund	519,153	75,721	75,721	75,721	75,721	75,721	75,721	75,721	75,721	75,721	75,721	650,721
DFEH Enforcement Litigation Fund	120,833	120,833	120,833	120,833	120,833	120,833	120,833	120,833	120,833	120,833	120,833	120,833

- * The staffing total for July includes \$7500 OE&E compliment for initial setup associated with creating new work stations plus 1/12 the normal OE&E compliment
- ** These are items for which the full associated cost will be needed at the beginning of the project to avoid delays from not having the funding to procure the item
- *** DFEH proposes one-time cost for Software Customization be funded through the use of DFEH's Enforcement Litigation Fund.
- **** System Integration, Validation & Verification and Unanticipated Tasks payments are based on deliverables received and as needed, the costs have been spread out over the course of the year to ensure that funding is available when these items come due for payment.
- ¹ Subscription/Licensing costs are billed annually by OTech. If licenses are procured in July 16, payment would be due July 17. Awaiting confirmation on the same from OTech.

**Department of Fair Employment and Housing
 FY 2016-17 Budget Change Proposal
 Case Management System Resources
 Facility Operations (Ongoing Costs) - Attachment B**

Classification	# of Staff	Required Space (Square Feet)	Total Space Required (Square Feet)
IT BCP			
<u>Permanent Staff</u>			
System Software Specialist I	1.0	64	64
Staff Information Systems Analyst	1.0	64	64
Associate Information Systems Analyst	1.0	64	64
<u>Consulting Staff</u>			
Management level consultants	1.0	150	150
Staff level consultants	3.0	64	192
	7.0		534
Network/File Server Closet		150	150
Conference Room (Training & Testing to accommodate up to 20 staff)		500	500
Total Common Areas		650	650
Subtotal			1,184
Circulation (35%)			414.4
TOTAL SPACE REQUIRED			1,598
1598 sq. ft. @ 1.87		monthly	\$ 2,989.01
		annual	\$ 35,868.10
15/16 annual rent			\$ 405,603.00
16/17 annual rent (with no changes)			\$ 416,448.00
16/17 including additional rent			\$ 452,316.10
Estimated Tenant Improvements			\$ 79,920.00
Voice/Data/Electrical (\$150 per hr @ 5hours)			\$ 750.00
Moving Expenses/boxes and internal excess \$(127 per hr @2/after hours for three movers)			\$ 762.00
Office furniture (office, msf, chairs) (3 Cubicles/Offices @ \$5,000 each)			\$ 15,000.00
Total estimated expansion costs			\$ 96,432.00
Less costs for Office Furniture (included in standard OE&E compliment)			\$ (15,000.00)
Total one-time funding required for Enforcement Staff Elk Grove Office Expansion			\$ 81,432.00

Department of Fair Employment and Housing
 FY 2016-17 Budget Change Proposal
 Case Management System
 Enforcement Litigation Fund - Fund Condition Statement - Attachment C

3246 Enforcement Litigation Fund	PY 13/14	PY 14/15	BY 15/16	BY+1 16/17	BY+2 17/18	BY+3 18/19	BY+4 19/20
BEGINNING BALANCE	\$ -	\$ 979,187	\$ 1,248,531	\$ 1,450,756	\$ 1,647,981	\$ 1,845,206	\$ 2,042,431
Prior year adjustments							
Adjusted Beginning Balance	\$ -	\$ 979,187	\$ 1,248,531	\$ 1,450,756	\$ 1,647,981	\$ 1,845,206	\$ 2,042,431
REVENUES, TRANSFERS & OTHER ADJUSTMENTS							
Revenues:							
163000 SETTLEMENTS/JUDGMENTS (NOT ANTI-	\$ 981,500	\$ 272,100	\$ 205,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Total Settlements/Judgements	\$ 981,500	\$ 272,100	\$ 205,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
161000 E Escheat of Unclaimed Checks & Warrants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
161400 E Miscellaneous Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers and Other Adjustments:							
Refunds to Reverted Appropriations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues, Transfers & Other Adjustments	\$ 981,500	\$ 272,100	\$ 205,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Total Resources	\$ 981,500	\$ 1,251,287	\$ 1,453,531	\$ 1,650,756	\$ 1,847,981	\$ 2,045,206	\$ 2,242,431
EXPENDITURES AND EXP ADJUSTMENTS							
Expenditures:							
0840 State Controller's Office (GAAP)	\$ 245	\$ 257	\$ 275	\$ 275	\$ 275	\$ 275	\$ 275
8860 Department of Finance (FSCU)	\$ 2,068	\$ 2,498	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Total Expenditures and Exp Adjustments	\$ 2,313	\$ 2,756	\$ 2,775	\$ 2,775	\$ 2,775	\$ 2,775	\$ 2,775
FUND BALANCE	\$ 979,187	\$ 1,248,531	\$ 1,450,756	\$ 1,647,981	\$ 1,845,206	\$ 2,042,431	\$ 2,239,656
Reserve for economic uncertainties	\$ 979,187	\$ 1,248,531	\$ 1,450,756	\$ 1,647,981	\$ 1,845,206	\$ 2,042,431	\$ 2,239,656

Department of Fair Employment and Housing
 FY 2016/17 Budget Change Proposal
 Case Management System

Attachment D - Workload Data Sheet

Systems Software Specialist I

Task	Times Per Year	Hours Per Task	Total Hours
Start-up Tasks			
Configure CMS application and Content management application	100	1.0	100
Data Migration, SQL procedures	50	2.0	100
Database setup and management, administration, security access	25	2.0	50
On-going Tasks			
CMS application support	150	1.0	150
Database maintenance	40	2.0	80
Collaboration management/Document support			
Maintain document and case repository	25	1.0	25
Manage events for each site	50	2.0	100
Purge old documents	10	1.0	10
Restore cases and information in the cases.	50	1.0	50
Interface processes, security, permissions, access controls, workflows	50	2.0	100
Procedures for Content management, documents library	25	5.0	125
Provisioning and versioning of data files	75	2.0	150
Manage site content and size	25	1.0	25
Running custom business queries	100	2.0	200
Testing new functions and workflow processes	25	5.0	125
Testing and updating APIs	20	2.0	40
Integrate reporting tools with website	25	5.0	125
Export data to specialized reports	50	1.0	50
Conduct training and knowledge sessions to users on CMS, Content management	25	2.0	50
Application server maintenance			
Manage permissions with each site, library, and lists	25	1.0	25
Monitor disk space and quotas	25	1.0	25
Moving and copying site folders	20	1.0	20
Monitor and apply appropriate patches to site/server	10	3.0	30
Monitor event logs and performance logs of site	100	1.0	100
Regular review, clean-up, management and configuration of accounts and sites	150	1.0	150
Setting up alerts and enforcing policies	25	1.0	25
Install and maintain web parts	20	2.0	40
Doing backups and restore	25	2.0	50
Managing the Shared Services	25	1.0	25
Total Hours			2145
Full Time Equivalent			1,800
Positions Required			1.19

Department of Fair Employment and Housing
 FY 2016/17 Budget Change Proposal
 Case Management System

Attachment D - Workload Data Sheet

Staff Information Systems Analyst

Task	Times Per Year	Hours Per Task	Total Hours
Start-up Tasks			
System and database update (pre-testing, post-testing, and troubleshooting)	100	2.0	200
Testing application releases, updates, defect fixes, templates, etc.	25	2.0	50
Data Migration to new CMS	10	3.0	30
Web Portal configuration, update, integration with invoicing API	20	5.0	100
On-going Tasks			
Create, modify, consolidate, run reports for legislature, public requests, program areas, Agency reporting, Executive management	50	2.0	100
Creating, modifying, and maintaining templates	100	2.0	200
Training on application changes, new users, updated processes	100	2.0	200
Research information	50	1.0	50
Case/Matter data maintenance in the application (workflows, profiles, dashboard, reports)	150	2.0	300
User account management/maintenance for public and DFEH staff	150	2.0	300
Delegate user access	30	1.0	30
Create new fields within the intake form and control the form	20	1.0	20
Maintain and update CMS access website	50	2.0	100
Create/examine Auditing logs for troubleshooting	150	1.0	150
Manage public user and various Division roles	150	1.0	150
Train new staff on work flow processes and usage of the CMS application	25	2.0	50
Manage security profiles in CMS system	25	1.0	25
Archiving and purging old cases	50	1.0	50
Create triggers for change of status, thresholds, milestones	80	1.0	80
Total Hours			2185
Full Time Equivalent			1,800
Positions Required			1.21

Department of Fair Employment and Housing
 FY 2016/17 Budget Change Proposal
 Case Management System

Attachment D - Workload Data Sheet

Associate Information Systems Analyst

Task	Times Per Year	Hours Per Task	Total Hours
On-going Tasks			
Create, assist, and support internal and external users with CMS issues	350	2	700.0
Routing of cases/matters between Enforcement, Dispute Resolution Division, and Legal	350	1	175.0
Resolving incorrect routing/closing cases	25	1	25.0
Resetting locked CMS accounts	50	1	25.0
Link CMS application accounts to archive cases	50	2	100.0
Problems logging into DFEH website and CMS application	250	2	500.0
Reopening and appealing closed cases	50	2	100.0
Searching and report on documents	250	1	250.0
Scanning and uploading case documents into CMS application	250	1	250.0
Total Hours			2125
Full Time Equivalent			1,800
Positions Required			1.18